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NEWS SUMMARY

GENERAL

Liverpool to lose 1,000 jobs

More than 1,000 jobs will be lost on Merseyside in the food and drinks industries as a result of moves by Kraft Foods and Allied-Lyons soft drink subsidiary Britvic.

Kraft Foods is to stop making cheese products at its Kirkby plant, with the loss of 930 jobs in the next six months. Britvic is to close its carbonated soft drinks plant at Edge Hill with the loss of 95 jobs. Page 3

No intervention

Home Secretary William Whitelaw, speaking in Oldham, Greater Manchester, made clear that he would not intervene in the controversy over armed police.

Borders closed

Tanzania closed its borders in a campaign against saboteurs and racketeers. President Julius Nyerere promised leniency for those who surrendered illegally-acquired goods and money.

Unique SA ruling

Four blacks charged under South Africa's terrorism laws were acquitted in an unprecedented ruling by the magistrate that security police assaulted some witnesses and forced others to give false evidence.

Oil slick grows

Helicopters and space satellites kept watch and hundreds of clean-up workers stood ready on shore as the giant Gulf oil slick continued to grow. Talks on tackling the crisis were adjourned.

16 miners killed

A methane explosion killed 16 miners and injured more than 50 about 1,450 ft underground at the Beisa uranium mine in Welkom, South Africa.

Falklands 'folly'

Deputy leader of the SDP, Dr David Owen, denounced the Government's Fortress Falklands policy as folly and said Britain would lose international support if it did not start negotiating on the islands' future soon.

Shuttle success

U.S. space shuttle Challenger completed the last major goal of its maiden voyage when two of its astronauts walked in space for nearly four hours. The shuttle is due to land in the Mojave Desert today.

Cholera toll

A cholera epidemic sweeping Mozambique has killed 250 people out of 7,000 cases reported in the last three months.

Napoleonic debt

The Swiss mountain village of Bourg St Pierre plans to present French President Francois Mitterand with a £4,140 bill run up by Napoleon Bonaparte.

Briefly . . .

Madrid police arrested three Basque separalist guerrillas and ao accomplice.

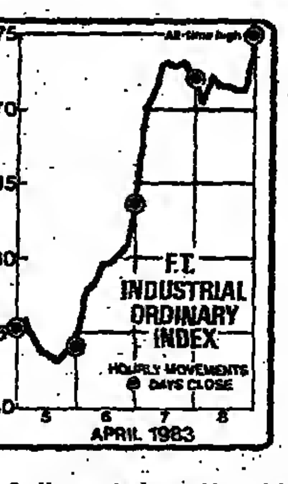
BA TriStar became the first aircraft to fly 7,140 miles non-stop, from Montevideo to London.

Keengaddy is Dominic Wigan's selection for the Grand National. Page 13

BUSINESS

Equities rise to record 675

● EQUITIES rose to record levels after hours on demand for the trading Account starting on Monday. The FT Industrial Ordinary index added 2.8 to a peak 675.0 and the FT-Actuaries All-Share index gained 0.3 per cent to a record 423.01. Page 22



● GILTS were generally steady. The Government announced a 10½ per cent tap stock, maturing 1989, to raise £1bn in three instalments over the next few months. Longer-dated stocks rose after-hours on the news.

● STERLING eased 20 points to $1.505. But it rose to DM 3.6525 (DM 3.6425), FFr 10.95 (FFr 10.91), SwFr 3.1 (SwFr 3.085) and Y360.5 (Y358.5). Its trade-weighted index held at 80.6. Page 19

● DOLLAR improved to DM 2.425 (DM 2.4155), FFr 7.2775 (FFr 7.24), SwFr 2.059 (SwFr 2.046) and Y239.3 (Y237.6). Its trade-weighted index was 122.6 (122.3). Page 19

● GOLD lost $4 to $421.5 in London. Page 19

● WALL STREET was down 3.20 to 1,114.45 in mid-afternoon. Page 18

● SOUTH AFRICA'S total reserves fell by R1.1bn to R3.7bn (£2.3bn) last month. Back Page

● HUNGARY devalued the forint by 3 per cent against major Western currencies in a move to boost exports. Page

● ITALIAN TREASURY announced a cut in the discount rate from 18 to 17 per cent.

● CANADA'S trade surplus rose by C$200m to C$1.44bn (£773m) in February, against a C$545m fall the previous month.

● REDLAND, building materials group, called off its £35m bid for Ibstock Johnsen because it would be unlikely to obtain approval from the Monopolies and Mergers Commission. Back Page

● HANSON TRUST, which is bidding for UDS, forecast taxable profits of not less than £75m for the current year. Page 16

● RILEY LEISURE, snooker tables and clubs group, made an agreed bid for Leisure Industries worth £5.6m. Page 16

● IOTECHNOLOGY, microcomputer maker launched on the USM a year ago, has gone into receivership "in view of the serious financial position of the company." Page 3

● THYSSEN, West Germany's largest steelmaker, warned that it faced difficulty maintaining its dividend for the current year. Page 21

CHIEF PRICE CHANGES YESTERDAY

Prices in pence unless otherwise indicated)

RISES		
reas. 13¾% 2000	£119¾	+ ¾
mersham	258	+ 7
rgyll Foods	128	+ 8
arr and WAT A	100	+ 15
eecham	393	+ 13
owater	179	+ 7
agle Star	408	+ 23
lectro-Protective	210	+ 19
awley	175	+ 7
eisure Inds.	300	+ 10
uirhead	158	+ 12
essey	568	+ 10
ical Elect.	486	+ 14
Simon Eng.	416	+ 12
Steetley	221	+ 5
Tavener Rutledge	30	+ 6
Turner and Newall	45	+ 5
Saxon	185	+ 23
Balmoral Resources	17¼	+ 2¼
FALLS		
BAT Inds.	690	− 25
Croda Intl.	112	− 8
Gaunt (Rowland)	72	− 10
Ibstock Johnsen	125	− 8
Milford Docks	80	− 15
Redland	250	− 5
Wilkes (J.)	220	− 15

Shell and Esso agree to BNOC price level

BY RICHARD JOHNS

SHELL and Esso, together responsible for more than a quarter of the UK oil output, have accepted the $30 a barrel reference price, effective from March 1, proposed by the British National Oil Corporation.

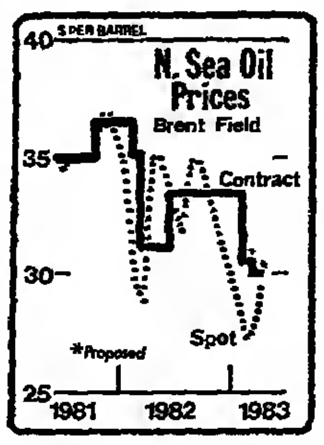
At the same time Shell and BP said they would withdraw subsidies from dealers on Monday. This will raise the pump price by 10p to 179p for four-star in urban areas. The rest of the industry is almost certain to follow suit.

British Petroleum, with a share of about 20 per cent, is expected to give its assent to BNOC's reference price early next week in spite of its reservations. It is worried about the close alignment with Nigeria's price and what it regards as too small a differential above the Organisation of Petroleum Exporting Countries' reference of $29.

Approval by the three biggest UK producers, though qualified and provisional as far as Shell and Esso are concerned, should bring the rest of the industry into line.

BNOC asked for responses from companies by yesterday evening. It is expected to make an announcement on Monday saying whether or not the proposal for a $30 reference has been accepted by the industry as a whole.

Notification by Esso and Shell of their acceptance followed a steady improvement over the past week of prices



on the spot market, reflecting increasing confidence that Opec's new price structure will hold.

The gap between official selling rates and spot market realisations closed further yesterday with Brent, the new North Sea reference, recording a 40 cent gain, bringing it to $29.40, compared with $28.10 a fortnight ago.

Quotations for Nigeria's top quality Bonny Light to the $29.80-$30.00 range leapt dramatically to give a mid-point of $29.90, up 80 cents on Thursday's level and close to the official selling rate of $30. Arabian Light, the Opec reference, rose another 22 cents to $28.72.

One significant factor behind the market recovery is the fact that the Soviet Union has in the past week, according to traders, stopped offering crude on the spot market at a discount over its official prices—which at $28 for its Urals blend remains below Opec and North Sea levels. At the same time Libya and Iran have been resisting pressure from customers to cut their rates.

Strengthening of the spot market was one reason for the decision by Shell and BP to withdraw subsidies from petrol dealers.

The recovery gives some hope to the industry that a higher price will be maintained and some of the losses made up on petrol sales, which have been running at £60m or more a month. Alignment of official and free market oil prices eliminates the opportunity for some refiners to purchase cheaper crude and undercut competitors.

Shell and BP both said that even if the 179p level held they would still each be paying out £1m in subsidies.

Shell said that it had "agreed to lift its full contractual volumes for February, March and April." The short statement added that "Shell does not regard the differential for Brent crude as appropriate and will hope for a more equitable arrangement in future."

Under BNOC's proposal, Brent is priced at 25 cents above other North Sea varieties—a differential which Esso and Shell, producers of the reference crude, complain penalises them unfairly.

Continued on Back Page

Maestro success consoles BL

BY JOHN GRIFFITHS

BL'S HOPE of achieving a 20 per cent share of the UK new-car market in March was unrealised, in spite of the launch of the Maestro.

The Maestro, however, set the best-ever performance by any new car in its UK launch month, taking sixth place among the top-10 sellers and a 4.28 per cent market-share.

BL ended the month with an 18.97 per cent market-share and took 18.12 per cent in the first quarter, according to statistics issued yesterday by the Society of Motor Manufacturers and Traders.

For the first time, total car sales topped the 500,000 mark in a first quarter. The figure, at 500,674, was 21.25 per cent higher than in the corresponding period last year.

Last night BL was deriving consolation from the one-third improvement in its first-quarter sales over the comparable months of last year. Its main worries were the "washing-up" dispute, which has halted Maestro output at Cowley, and the effect Maestro appears to have had on the Triumph Acclaim.

Cowley's strikers are not due to meet again until next Thursday. About 20,000 Maestros were built before the strike, however, and Austin Rover says the dispute will have to last another two to three weeks before the company runs into major supply difficulties.

The Acclaim's market-share dropped sharply, from its usual 3 per cent to 1.77 per cent.

Austin Rover acknowledged its sales might have been dented by the Maestro but suggested the fall should be temporary while the Maestro market sorted itself out.

The society's figures confirmed that Ford's Sierra was last month's market leader by a large margin, taking 11.59 per cent of overall sales. More than 22,000 were bought, 6,000 more than the second-placed Escort. Ford's hat-trick was completed by the Fiesta.

The Sierra's success helped push BL's Metro to fourth place and Vauxhall's Cavalier to fifth. Vauxhall's market-share dropped by more than 2 per cent, from the 14½ per cent achieved in February.

Some of Ford's rivals maintained their criticism of the extra financial incentives offered by Ford on the Sierra in March.

Sales last month were the second highest for any March. At 192,473, they were 9.9 per cent up on March a year earlier.

Imports fell to 55.3 per cent, from 56.4 per cent in March, 1981, and to 56.3 per cent, from 57.5 per cent over the quarter. The Japanese import share was 7.9 per cent in the three-month period, well below the 11 per cent allowed by the Anglo-Japanese "gentleman's agreement."

Top-10 sellers in March were Ford Sierra 22,316; Ford Escort 16,380; Ford Fiesta 15,923; Austin Metro 15,752; Vauxhall Cavalier 12,296; Austin/MG Maestro 8,233; Vauxhall Astra 6,095; Volvo 300 series 4,729; Triumph Acclaim 3,400; Datsun Sunny 3,245.

Car sales battle, Page 14

Mortgage rate held as receipts fall

BY WILLIAM COCHRANE

BRITAIN'S building societies decided to hold the mortgage rate at 10 per cent yesterday. However, forthcoming figures will show a fall in receipts for the fifth successive month, record lending and — unless bank base rates are cut — a shortage of funds.

Mr Alan Cumming, chairman of the BSA, said yesterday: "Plainly this position cannot long continue." Without a fall in bank base rates, he said, "building societies will have to consider raising their rates to a market level."

Next Tuesday's returns are expected to show net receipts of £350m, down from £386m in February, and advances at a record £1.9bn.

The average liquidity ratio of members of the Building Societies Association, which declined from 20.6 per cent in December to 18.3 per cent at the end of February, probably dropped another point last month and could fall below 16 per cent by the end of May.

Building societies have not responded to the overall 1½ percentage points rise in interest rates since the 10 per cent mortgage rate was announced last November. They say they are having difficulty raising funds to meet the huge demand for mortgage loans and mortgage queues are lengthening.

Mr Cumming noted that in addition to the record advances in March, societies had approved a further £1.9m of loans to be made later.

"At the end of March we had outstanding commitments to make loans of £4¼bn," he added. Perhaps half of that would be funded by the inflow from existing borrowers, leaving more than £2bn to be funded from outside sources in about three months. "March's £350m is nowhere near enough," he said.

Mr Cumming said that lengthening mortgage queues would be very upsetting at a time when people traditionally looked at houses and when the househuilding sector was expecting a recovery.

In addition, he felt that a reduction in bank rate — a percentage point would make the societies reasonably competitive — could have the effect of attracting the banks back into the mortgage lending market.

Building Societies: The cartel under pressure, Page 7

£ in New York

	April 7	Previous
Spot	$1.5030-5045	$1.5145-5165
1 month	0.14-0.11 dis	0.13-0.10 dis
3 months	0.29-0.22 dis	0.23-0.19 dis
12months	0.47-0.32 dis	0.33-0.25 dis

Turner and Newall ties Tombs' fee to recovery

By Carla Rapoport

SIR FRANCIS TOMBS, chairman of Turner & Newall, will earn up to £540,000 over the next three years in addition to his salary, if his recovery strategy for the troubled asbestos products group is successful.

At the same time, Sir Francis has warned that further job cuts at the Manchester-based group will be necessary this year to ensure the group's survival.

In the company's 1982 report and accounts, released yesterday, Sir Francis states he was not required to make the details of his contingency fee public, but he wished to reveal that the company's bankers have agreed to pay him a fee related to any increase over 23p in the price of 2m T & N shares, up to a ceiling value of 50p per share. They gained 5p yesterday to reach a high for this year of 45p.

T & N confirmed yesterday that this scheme could earn Sir Francis as much as £540,000, the amount equal to the difference between 23p and 50p multiplied by 2m shares. Sir Francis, who has an option from the Prudential Assurance Company to purchase 500,000 shares in the company at a favourable rate, was unavailable for comment yesterday. He joined the company last November and his current salary is more than £50,000.

In an open letter to employees, also released yesterday, Sir Francis said a return to profit would require a "radical approach to all aspects of our business."

This "will involve suffering for many. But for the group to survive, as it must, such further sacrifices are absolutely necessary," he wrote.

The company has already slashed its UK employment total from 22,400 in 1979 to 12,200 at the end of last year. In the same time period, the group's pre-tax profits have dropped from £28m to a loss of £19m last year, primarily due to diminishing demand for its products in the vehicle and construction industries.

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Moscow orders out FT man

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

Anthony Robinson

THE SOVIET UNION yesterday ordered the expulsion of Mr Anthony Robinson, the Financial Times correspondent in Moscow, and Squadron Leader David Williams, an assistant air attache at the British Embassy.

The move comes one week after Britain announced a similar move against two Soviet officials and a journalist. Sir Iain Sutherland, British ambassador to Moscow, was summoned to the Soviet Foreign Ministry yesterday morning. He was told that the two Britons were accused of "systematically violating the generally accepted norms of conduct for foreigners and engaging in unacceptable activities."

A Foreign Office spokesman said: "The ambassador protested strongly at this totally unjustified action. This Soviet action is clearly in retaliation for the expulsion of three Soviet officials last week. We are considering seriously the new situation it has created."

Mr Geoffrey Owen, editor of the Financial Times, yesterday called on the Soviet authorities to "reconsider their decision with the utmost urgency" and expressed his "total confidence" in Mr Robinson.

Mr Robinson, who has been given a week to leave the country, was told the news yesterday afternoon when he flew back to Moscow with his 12-year-old younger daughter, Joelle, after a week's holiday in Britain.

If finally expelled, he would be the first British journalist to be forced to leave the Soviet Union since David Bonavia, the Times correspondent, in 1972.

The Soviet accusations are clearly designed to imply that Mr Robinson had been involved in espionage activities. Speaking on the telephone last night, however, Mr Robinson strongly rejected this charge. "I have tried to cover the Soviet Union in the same way the Financial Times covers any other country, that is seeking the maximum information on which to base the reports I send back to London," he said.

Mr Robinson, 40, who speaks Russian, had spent five years as London-based East European correspondent of the Financial Times before becoming its first Moscow staff correspondent a year ago.

"It is my job to report fairly and accurately and that it what I have tried to do over the past 12 months," he said. Even if he had to leave, he would remain the newspaper's Moscow correspondent: "I hope to return to Moscow," he said.

Mr Robinson's wife and elder daughter Katherine were in England yesterday.

The threatened expulsion of the two Britons comes three days after the French had suddenly announced the expulsion of 47 alleged spies. It is the latest move in the bitter game of human ping pong which has been going on between Britain and the Soviet Union since 1971.

In January Mr Vladimir Chernov, a translator at the International Wheat Council, had to leave. Then, on the Thursday before Easter, Britain ordered the expulsion of Mr Sergei Ivanov, a second secretary at the Soviet Embassy, Colonel Guennadi Primakov, an assistant air attache, and Mr Igor Titov, the London correspondent for the Moscow world affairs weekly magazine New Times.

British officials refused to say whether they would react to the Soviet move by ordering any further expulsions and reducing the number of Soviet officials allowed in this country. Last week the Foreign Office said it would view any retaliation "with extreme seriousness."

The Soviet Embassy has 43 diplomats and 46 other staff. The Soviet trade mission has 46

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CONTENTS

MX experts doubt U.S. invulnerability to Soviet strike

BY ANATOLE KALETSKY IN WASHINGTON

THERE is no practical way to make a large, land-based nuclear missile system invulnerable to a Soviet first strike, according to a special bi-partisan committee appointed by President Ronald Reagan to study deployment of the controversial MX missile.

The committee's conclusion may force the President to abandon the "window of vulnerability" doctrine, which alleges that the Soviet Union could be tempted to attack or threaten the U.S., until the U.S. has a land-based missile system able to survive a nuclear strike. Closure of the window of vulnerability was the main purpose in developing the MX and also one of the main military tasks Mr Reagan set himself in the 1980 election campaign.

The MX committee's main practical recommendation—that the MX *should* be placed in silos now occupied by Minuteman missiles, which are alleged to be obsolescent — will be formally presented to the President and Congress on Monday and has been widely leaked. Deployment of the MX should be combined with a crash programme to develop a small, mobile missile nicknamed "Midgetman," the committee is believed to have suggested.

However, according to senators who have been briefed by Gen. Brent Scowcroft, the MX committee's chairman, the reasoning behind this recommendation is so much at odds with the original rationale for the whole MX programme that congressional funds for the new missile could well be in doubt. Refusal of MX money would deliver a crushing blow to Mr Reagan's prestige after the vote this week in the Senate Budget Committee to cut the Administration's defence budget.

If Mr Reagan were to concede either that a window of vulnerability does not exist, or that the MX were unable to close it, Congress would be very reluctant to vote the $20bn required to deploy 100 MX missiles in existing Minuteman silos, according to Congressional officials. Under the Scowcroft committee's recommendation, these missiles would be in place for only three *or* four years before they in turn were displaced by the "Midgetman," which would be much harder for Soviet forces to hit because of their mobility.

Beach Boys row rocks Washington

Mr James Watt, U.S. Interior Secretary, and bogeyman of American liberals and environmentalists, has conceded defeat in the most bizarre political controversy to "rock" Washington, during the Reagan Administration.

He has accepted that the Beach Boys rock group of 1960s fame is not "un-American."

Mr. Watt had decided to ban rock groups from this year's July 4 Independence Day festivities on the grassy Mall in the centre of Washington.

He did so, claiming that rock groups had in the past attracted the "wrong element." Instead, he said, he wanted "patriotic, family-based entertainment," to be laid on by the U.S. Army Blues Band and middle-aged Las Vegas entertainer Wayne Newton.

Then Mrs Nancy Reagan called him to say that both she and her children were Beach Boys fans.

Vice-President George Bush rallied to the group's support, and the President presented Mr Watt with a sculpture of a foot with a bullet hole, to symbolise Mr Watt's success in shooting himself in the foot.

Mr Watt backed down. He will now invite the Beach Boys — and Wayne Newton

Nancy Dunne, recently in Illinois, reports on a turbulent election campaign

Black and white clash polarises Chicago

THE CROWD, chanting "Bernie, Bernie," swarmed into the Chicago street, surrounding the candidate's car and cheering. Little could be seen of Mr Bernard Epton, candidate for Mayor, just his shiny pate and scraggy white beard as he was swept into a jammed discotheque by police escorts, aides and camera crews.

The scene is common enough in an American election campaign, especially in the traditionally turbulent politics of Chicago. Yet Mr Epton is a Republican, in a city dominated for more than half a century by Democrats, and it is mainly because his opponent is black that he has emerged as a serious contender for Mayor.

When Chicago voters go to the polls next week they will end one of the most divisive campaigns in the city's history. The contest has completely polarised black and white voters, yet the issues involved go well beyond the implications of racialism.

Mr Harold Washington, the black Democratic candidate, was virtually unknown to whites outside his congressional area before he won a bitter three-way primary against the incumbent, Mayor Jane Byrne, and Mr Richard Daley, son of the late long-serving mayor who preceded her. Blacks, who now comprise more than 40 per cent o fthe electorate, registered to vote in record numbers.

When Mr Washington appeared on the campaign platform, he had at his side black activists like the Rev Jesse Jackson, whose cries of "We want it all" struck fear into the hearts of thousands of Chicago's whites.

Chicago has long been governed by an alliance of its ethnic groups, synthesised through the Democratic Party machine. Ward politics have thrived under the Democrats through the judicious distribution of municipal jobs to party workers and city contracts to the machine's allies.

Now the system is being threatened by a Democrat, and a black Democrat at that. Several ward bosses are backing Mr Epton because they believe he will do less harm to the machine.

A liberal Republican, Mr Epton is scarcely suited to the role of "great white hope." The Jewish millionaire represented one of the city's few racially mixed neighbourhoods in the Illinois legislature for 14 years. He speaks proudly of taking his son to march in a demonstration after the assassination of the Rev Martin Luther King, Jr, the civil rights leader.

"Harold Washington's colour is not the issue in this campaign," Mr Epton says constantly. "Integrity is the issue."

In a state where corruption convictions seem an everyday affair, Mr Epton has portrayed his opponent (who spent one month in jail) as just another "Chicago crook."

Mr Harold Washington (left) and Mr Bernard Epton, candidates in the Chicago mayoral elections, have figured in one of the most divisive campaigns in the city's history.

The election outcome—increasingly in doubt as Mr Epton gains strength—may have far-reaching consequences. Violence has been threatened on both sides. Prominent blacks suggest that if Mr Washington is defeated, they will launch a third party candidacy in the Democratic Presidential primaries, thus weakening liberal candidates. Disheartened black voters could turn away from the voting process in droves, assuring a Republican Presidential win in 1984.

Beyond the mudslinging is a serious debate about racialism itself. Mr Epton's backers say his opponent won the primary contest simply because of black votes cast for race and that whites, who fear Mr Washington will not address their concerns, should not be condemned for doing the same.

Both candidates accuse each other of injecting racialism into the campaign. Mr Epton has been widely criticised for using a series of television commercials with the menacing tagline: "Epton for Mayor—before it's too late."

The rhetoric has produced some ugly incidents. On Palm Sunday, Mr Washington, accompanied by Presidential hopeful Mr Walter Mondale, was jeered out of a white church where the two had been invited to worship.

The legitimate issues of the campaign are more often found buried in the candidates' briefing papers than in their stump oratory. To avert a fiscal crisis inherited from the Byrne Administration, Mr Epton promises to bring "sound business practices" to the management of city affairs.

Mr Washington, a traditional Democrat, calls Mr Epton "a Reagan clone" who will propagate the Administration's "heartless" policies. Of the two candidates, Mr Washington is the more charismatic. He speaks eloquently of wanting to unite the city's neighbourhoods of focusing on common problems.

"I hope my conduct in this campaign has made it possible for me to govern," he said at a fundraising dinner. "My life's blood is in this city . . . I want to be your Mayor so bad I can taste it." But his chances seem to be slipping away as the rhetoric grows harsher.

Hawke may means test pensioners

AUSTRALIA'S Prime Minister, Mr Bob Hawke, said yesterday that his Labor Government might refuse to pay state pensions to the wealthy, Reuter reports from Sydney. Labor, would consider means-testing pensioners to assess their finances, he added.

Mr Hawke explained that Labor, which ousted the Liberal-National Party coalition in the March 5 General Election, had inherited a big budget deficit. It was only fair that those with the greatest capacity "should bear the sacrifices."

Walesa "will not go"

MR LECH WALESA, who led Poland's now-banned Solidarity trade union, will not accept an invitation to visit Harvard University in June, because he fears he may not be allowed back, his wife Danuta said yesterday, Reuter reports from Warsaw. A Harvard spokesman said earlier that Mr Walesa had accepted an invitation to speak at Harvard's graduation ceremonies on June 9, if the Polish Government granted him a visa.

Greek taxmen return

GREECE'S 6,000 tax inspectors returned to work yesterday after a 50-day strike but pledged to continue their struggle against organistational changes in the Finance Ministry, Reuter reports from Athens. The strike has disrupted the processing of income-tax returns and the sharply-increased car taxes intended to be the Government's main new revenue-raising measure for 1983.

Sikh day of protest

Harchand Singh Longowal, a militant Sikh leader in India's northern state of the Punjab yesterday called on Sikhs around the world to observe April 17 as a day of protest and mourning for at least 24 people killed in clashes with police last Monday, Reuter reports from New Delhi.

Guerrilla victory

Guerrillas fighting for the independence of Ethiopia's northern Tigray Province said yesterday that they killed 600 Government soldiers in a battle near Ethiopia's border with Sudan last month, Reuter reports from Rome. No immediate comment was available from Ethiopia.

Botha accuses U.S.

South Africa's Foreign Minister, Mr Pik Botha, has accused the U.S. Government of "meddling in South African affairs," the Rand Daily Mail reported yesterday, Reuter reports from Johannesburg. The U.S. was "premature" in its criticism of the shooting by South African police last weekend of Mr Saul Mkhize, a black leader, Mr Botha was reported to have told a Mail reporter. Police said the officer concerned had fired to quell a riotous crowd. The South African Government was said to deeply regret the incident.

Tanzania shuts border

Tanzania has closed its borders in a campaign against "saboteurs and racketeers." President Julius Nyerere said in a speech reported by Radio Tanzania yesterday, Reuter reports. He promised leniency for people who surrendered illegally-acquired goods and money but said those who dumped goods in panic would be severely dealt with.

Kelly 'fed up' with Greens' discontent

BY JAMES BUCHAN IN BONN

THE RUMBLING discontent in the Greens' parliamentary party elected in West Germany for the first time on March 6, erupted into the open yesterday when a leading member bitterly attacked the party's activities in and outside parliament.

Three weeks before the new Bundestag is to convene formally, Frau Petra Kelly, 36 and one of the parliamentary party's three spokespersons, told a Munich newspaper yesterday that she was fed up and had considered giving up her seat.

Frau Kelly, the best-known and one of the most popular of the leaders of the environmental and disarmament movement, suffers from a weak heart and said yesterday that she was taking a two-week convalescence. She admitted that she had exhausted herself campaigning since last September, but said the "last straw" had been charges from grass-roots organisations that she was hogging the limelight.

Her outburst casts a harsh light on the immense difficulties of the new parliamentary party. She believes that parliamentary work is a "sideshow," compared to direct action against armament, especially Nato's new missiles. Even those committed to the parliamentary experiment are caught between the need to find a *modus vivendi* with the authorities and other parties in the Bundestag and the keen sensitivity by grass-roots members to any signs of bourgeois tendencies among the 27 elected deputies.

Some deputies complain that the Greens' attempt to devise a more democratic approach to Bundestag work — including the displacement of deputies every two years and a committee to monitor members' performance — threatens to shackle the deputies before they start.

Frau Kelly has made no secret of her irritation at the inexperience of the parliamentary Greens. She receives up to 200 letters a day but has not been allowed the "luxury" of a secretary to help her answer them.

● Petra Kelly (right)

Sharp fall in W. German industrial orders

BY JAMES BUCHAN IN BONN

ORDERS BOOKED by West German manufacturing industry fell sharply in February against the month before, indicating just how problematical are the widespread hopes of an economic upturn this year.

After signs of strengthening demand in the hefty increases in domestic orders in November, December and January, manufacturing orders in February fell by 10 per cent in terms adjusted seasonally and for inflation against the previous month.

In announcing the figures yesterday, the Economics Ministry pointed out that the decline was expected and was a "technical" adjustment after the January increase. The increase was itself an overhang from the boost given to domestic orders by the Government's investment bonus that expired at the end of last year.

The picture in February was also almost certainly distorted by a wait-and-see attitude to the outcome of the March 6 election.

The Ministry pointed out that on a two-month reckoning, generally held to reflect the trend more accurately, orders were up by 1.5 per cent in the first two months of the year as against the last two of 1982.

However, yesterday's disappointing results do underline that firm evidence has yet to appear that a turning-point has been reached.

French unions angry at prospect of more jobless

BY DAVID MARSH IN PARIS

TRADE UNION complaints about the austerity measures in France welled up again yesterday after an admission by M Jacques Delors, the Finance Minister, that the economic squeeze announced a fortnight ago could increase unemployment by *100,000* this year.

Striking workers at the Citroen car plant at Aulnay, near Paris, who stopped work on Wednesday and Thursday over a 10 per cent pay claim, started to return to the production line yesterday afternoon, however, having been called back by the Communist-led CGT union confederation.

Protest

The CGT has echoed general resentment in the Communist Party, the junior partner in the Socialist-led Government, and called for workers' "action," though not explicitly strikes, to protest against the moves. Workers at the Renault motor plant at Le Mans downed tools for two hours yesterday in protest.

M Edmond Maire, the head of the pro-Socialist trade union CFDT, said yesterday he still disagreed with the austerity programme because of its effects on unemployment. He gave a controversial warning two months ago that tough measures would have to be introduced, but said yesterday that the speech before the National Assembly on Wednesday by M Pierre Mauroy, the Prime Minister, had done nothing to ease "worries" over the programme.

Pressure

M André Bergeron, leader of the blue-collar Force Ouvrière union, generally regarded as moderate, said France risked a vicious circle of falling real wages and rising unemployment putting fresh pressure on the social security system.

He said he feared a rise in "tension," which could be similar to the outbreaks of labour unrest before the upheavals under President de Gaulle in 1968.

As usual, the focus of complaints about the belt-tightening measures was M Delors. He told the parliamentary finance commission on Thursday that the plan could add *100,000* people to the dole queue this year, although he made clear later that this could be combatted by other measures to ease unemployment, such as promotion of worksharing.

Former head of Rumasa files suit

By David White in Madrid

SR JOSE MARIA RUIZ-MATEOS, former head of the expropriated Rumasa conglomerate, has lodged a complaint in court here against the Spanish government.

The complaint, made through a lawyer on behalf of Sr Ruiz-Mateos, and for the members of his family who held the remaining 50 per cent of the shares in the Rumasa parent company, is the first move by the former owners to overturn through the courts the government's expropriation decree of February.

It follows a formal request to Sr Javier Moral, Director of State Patrimony, whose department is now the nominal owner of Rumasa and its widespread interests in wine and other goods.

Alleging "despoilation" by the state, the former Rumasa chairman, who is believed to be in London, is applying for an attachment order on all the shares taken over by the government. He is also seeking cancellation of planned meetings of the various companies' former shareholders who have been promised fair compensation.

The complaint, in which it is argued that the government ignored the constitutional right of equality before the law, could provide a second channel for the issue to come before the constitutional court, to which it has already been referred by the right-wing parliamentary opposition.

Hungary devalues

By Leslie Colitt in Berlin

HUNGARY has devalued its currency, the forint, by 3 per cent against major Western currencies, in a move to boost exports. Hungary conducts about 55 per cent of its trade in hard currencies and 45 per cent in transferable roubles.

The Hungarian National Bank explained the step by saying that, while Western countries had been reducing their rates of inflation, there had been an "acceleration" of price increases in Hungary. Inflation this year in Hungary was expected to amount to 7.5 per cent.

Saudi monetary agency chief to resign

RIYADH — Abdol-Aziz al-Quarishi, governor of the Saudi Arabian Monetary Agency (Sama) since 1974, is to resign April 14, according to the pro-government Okaz newspaper and Sama officials.

Hamid al-Siyari, currently vice-governor at Sama, has been named acting governor. Both the governor and vice-governor positions are filled by Royal appointment.

Al-Quarishi's resignation, which took the banking community in Riyadh by surprise, was explained to senior staff at Sama as a "retirement."

The 53-year-old al-Quarishi is said to desire a return to the private sector.

He will be leaving the same day as the Saudi budget for fiscal 1983-84 is to be announced. AP

Unrest will be ruthlessly dealt with, Mugabe says

BY OUR HARARE CORRESPONDENT

MR ROBERT MUGABE, the Zimbabwe Prime Minister, yesterday said that anyone who helped the "dissidents" in Matabeleland risked being killed by troops. His Government would deal ruthlessly with unrest, he warned, adding: "Where men and women provide food for dissidents, when we get there, we eradicate them."

"We don't select who we fight because we can't tell who is a dissident or not. If people give dissidents food they are starting a war against the government."

The Prime Minister told a party rally near the midlands city of Kwekwe that people who supported the dissidents were "going to be killed."

"Because this is war," the Premier said "don't cry if your relatives are killed in the process. It's the price of supporting dissidents."

Mr Mugabe was given an enthusiastic welcome by a crowd of some 2,000 tribespeople in an area where until two weeks ago a curfew was in operation because of military operations by the insurgents.

He was loudly cheered when he condemned the dissidents and attacked Mr Joshua Nkomo, the Zapu opposition leader.

There is predominantly Shona, and this was reflected in the songs of praise from a choir of women lauding the activities of the North Korean-trained Fifth Brigade in its operations against the dissidents.

Jobs plan follows Sao Paulo riots

BY ANDREW WHITLEY IN RIO DE JANEIRO

PRESIDENT Joao Figueiredo has announced the launch of a majorf job-creation programme, following this week's violent disturbances by unemployed workers in Sao Paulo.

The Federal Government is to authorise the release of Cruzeiros 250bn (£393m) within the coming days to be spent on civil construction works of social benefit, in areas such as education, health, and sanitation.

The presidency said it wanted to show that unemployment was as much a concern of the Federal Government as it was of the opposition-run state Government of Sao Paulo.

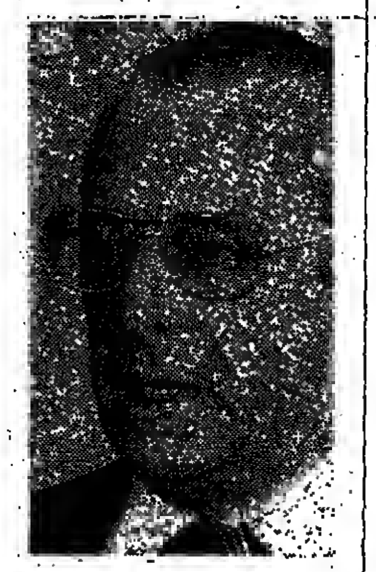
Sr Murilo Macedo, the Labour Minister, said on Thursday that the Government has approved a two-part plan to combat unemployment.

Financial assistance for those out of work is to be improved and new job-creation schemes for unskilled manual workers are to be created, particularly in civil construction.

In a parallel move, the Rio state Government has said it intends to build 30,000 low-cost houses, creating employment for up to 150,000 people.

No figures were given for the cost of the programme, which is to be financed by the Banco Nacional de Habitacao, the federal housing bank.

Rio de Janeiro has been unaffected by the sort of protest marches and outbreaks of looting which shook Sao Paolo for three days. But small-scale clashes over land occupations are a constant feature of Rio life, resulting from the city's severe housing shortage for low-income groups.



Jaos Figueiredo

Moscow sustains anti-cruise drive

BY OUR FOREIGN STAFF

MOSCOW fired the latest salvo in its war of words today with Washington. It was designed to exacerbate western public opposition to deployment of cruise and Pershing II missiles and to coax the White House into concessions at the nuclear disarmament talks at Geneva.

The Soviet Committee for European Security and Co-operation, made up of generals and civilian arms experts, launched a booklet entitled "How to Avert the Threat to Europe," which made clear that Moscow sees that threat as American and would like western Europe to share the opinion. The booklet sums up the Soviet case that a military balance exists in Europe and Washington's proposals at the Geneva talks are calculated not to achieve agreement but to wreck the negotiations and allow the deployment of new misiles.

Spanish and Russian, in the hope that some will find their way into the hands of militant western anti-missile campaigners.

Moscow's line, reiterated in the new booklet, is that, while it accepts parity with the U.S. in strategic, inter-continental arms, it must use different criteria for the European theatre, and regard French and British nuclear weapons as part of a western arsenal it must counter.

Rejected

David Tonge adds: Western defence officials in London yesterday categorically rejected Soviet claims that there is now a balance of intermediate nuclear forces (INF) in Europe.

The Soviet Union has claimed that at present it has 975 INF systems deployed against Nato, compared with 983 Western ... But the Western 1,000 kms (625 miles) — the minimum range considered necessary to bring a delivery vehicle into the category of intermediate.

Bombers

The officials also objected to the inclusion in the Western European total of 65 U.S. FB-111 bombers based in North America and as many as 240 U.S. A6 and A7 fighter-bombers based on aircraft-carriers.

The officials also objected to the way that the Soviet Union had insisted on counting launchers, rather than warheads. Once allowance is made for the 331 SS-20 missiles with triple warheads, comparison, even on the basis of Soviet launcher figures, shows the USSR with a clear lead. However, the officials welcomed the way that Mr Andrei Gromyko, the Soviet Foreign Minister, had appeared to pay more

Tennis sparks China-U.S. row

BY OUR PEKING CORRESPONDENT

THE U.S. appears to have seriously under-estimated the extent and seriousness of China's reaction to the decision to grant political asylum to the 19-year-old tennis player, Miss Hu Na.

What the U.S. Government seems to have calculated as another manageable irritation to an already broadly strained relationship could well have set back the Sino-U.S. relationship to its shaky position before the fence-mending communique issued in the wake of the row over U.S. arms sales to Taiwan in the middle of last year.

Since the granting of asylum for Miss Hu was announced on Monday, China's reaction has become daily more strident and concentrated.

On Tuesday, the Chinese Foreign Ministry attacked the decision as "a grave incident long premeditated and deliberately created by the U.S." On Wednesday, a diplomatic note was delivered to the ... colluding" with anti-Chinese elements "in an illegal and immoral way."

On Thursday, it was announced, in another vitriolic message, that all official cultural and sporting contacts were cancelled for the rest of the year.

But perhaps the most significant indicator of the depth of China's feeling came last night when General Secretary of the Chinese Communist Party, Mr Hu Yaobang, met a delegation from the Swedish Communist Party.

The scheduled programmes on Peking television were interrupted for a special news bulletin to report Mr Hu's speech. He strongly attacked the decision on Miss Hu, emphasised the importance of China safeguarding its Socialist integrity, and accused the U.S. of "hegemonist behaviour."

The "hegemonist" label was one of China's favourite ... between Peking and Moscow last year. It was also used to attack Washington over its continued arms sales and co-operation with Taiwan.

But the hegemonist criticism had not been levelled against the U.S. since relations were patched up last year.

Diplomats in Peking regard the overall strength and persistence of China's reaction on Miss Hu as confirmation of its mounting impatience with the broader deterioration in the Sino-U.S. relationship over the past few months.

In addition to the row over arms sales to Taiwan and the continued expression of pro-Taiwan sentiments by leading U.S. officials, including President Reagan, there are trade and technology disputes.

Despite four rounds of talks, the two nations are still unable to agree on U.S. demands for tougher quotas on Chinese textile exports to America and the U.S. is continuing to refuse ... of high technology for

FINANCIAL TIMES, published daily

Receivers move in at computer company

By David Dodwell

IOTECHNOLOGY, the microcomputer manufacturer launched on the Unlisted Securities Market a year ago, was placed in the hands of receivers yesterday "in view of the serious financial position of the company."

This highlights the intense competition for manufacturers of new high-technology products, even in the fast-growth area of computers, and shows the risks of launching a green-field company on the Unlisted Securities Market.

The joint receivers, Mr Ray Mackie and Mr Philip Ramsbottom of Peat, Marwick, Mitchell, said yesterday that the business was being continued "while the prospects for the sale of the business as a going concern are examined."

Neither company nor receivers would disclose the extent of IoTechnology's debts. When launched a year ago it raised nearly £500,000, with assurances of a bank facility from the Midland. Virtually all these resources have been exhausted.

IoTechnology has been dogged with problems since its launch. Worries were expressed then by analysts about the difficulties of such a launch. There were complaints that the company's prospectus gave insufficient information.

Subsequently there was delay in starting to make the Iona, IoTechnology's minicomputer, which brought critical problems in finding dealers to market it.

A month ago, with interim figures three months delayed, a stockbrokers' report predicted losses for the year to March 1983 of £173,000: "Future success will depend heavily on heavy sales promotion, and cash could prove a restraining factor."

The company, which employs fewer than 40 people, hoped to sell 3,500 computers by March and claimed to have arranged 60 dealerships by that time. On that basis it would have been near reaching profitability.

Warning of the collapse came on Thursday, when Mr David Atkins, the chairman, asked for suspension of share dealings pending an announcement. Shares were suspended at 230p —7p down on the day, and 20p below the launching price last year.

Peoplexpress faces British hurdles over £98 flight to U.S.

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE U.S. AIRLINE planning a $149 (£98) single fare across the Atlantic this summer has several hurdles to cross before operations can start.

Although Peoplexpress has been designated the official U.S. airline for the route between Newark (New Jersey) and Gatwick, the UK Department of Trade has not yet received an application from the U.S. State Department for designation by the UK Government of the airline.

Until that application is received and approved (the Department of Trade has 90 days to decide) no operation of any kind can begin.

The airline has been talking of a late May start for its five-times weekly Boeing 747 Jumbo jet flights. The Trade Department could move quickly once a formal application has been received but until then it is powerless under the Anglo-U.S. Bermuda Two agreement governing air routes between the two.

Mr Harold J. Pareti, the secretary and senior counsel for the airline yesterday met Mr Ray Colegate, head of economic planning at the UK Civil Aviation Authority, to discuss the airline's plans.

The CAA is required under UK law to approve the fares policies of the new airline once it has got UK designation on the route. The CAA must satisfy itself the airline is financially sound and capable of fulfilling its ambitious plans for cheap fare services.

Peoplexpress's most recent balance sheet shows assets of close to $100m. In the six months to end-June 1982, it had operating revenue of more than $82m and a net income on operations of almost $5.8m. Working capital exceeds $33.6m.

The airline, formed in 1981, flies extensively in the Eastern U.S., based on Newark, with a fleet of 17 Boeing 737 twin-engined short-haul jets. It recently bought 20 Boeing 727 jets formerly in the Braniff fleet and will lease a Boeing 747 Jumbo jet, also formerly used by Braniff.

Peoplexpress has about 1,100 employees, all of whom are shareholders in the airline. The founder chairman and president is Mr Donald C. Burr, who also is the biggest shareholder, with about 10 per cent of the 7m shares.

Mr Burr and Mr Pareti, together with most of the remaining eight directors, were formerly with another U.S. airline, Texas International.

While the legal work to gain UK designation and CAA approval continues, some of the directors, in addition to Mr Pareti, have been in the UK this week discussing operational details at Gatwick Airport, such as ground handling arrangements.

Reactions to the Peoplexpress plan in the UK have been mixed. Competing airlines on the transatlantic route—British Airways and Pan American — have been guarded in their reaction, preferring to wait and see. Trans World Airlines is ready to meet the competition by offering a new cheap fare of £270 return, Gatwick-Kennedy Airport — more than Peoplexpress but geared to a different market.

The travel trade on the whole is also waiting to see what happens before backing low-fare experiments on what is regarded as the toughest air route in the world.

Mr Pareti said his talks with the CAA yesterday were exploratory. "I explained how we could operate the low fare and described the workings of the company."

He stressed the Peoplexpress concept was based on extremely low operating costs — "about half those our competitors face in the U.S." The airline has also been able to buy low cost, used aircraft.

The $149 fare covers transport only; food and drink would be paid for on board. The airline needs a 70 per cent load factor (the percentage of seats filled) to break even.

"The $149 fare will entice people who never before thought of travelling to the U.S. because of the cost," Mr Pareti said. "The stimulation of the market will create enough demand to fill our seats without diverting people from other airlines."

Peoplexpress is in effect a workers' co-operative. Most of the staff are flying crew. Pilots spend three weeks of each month flying, and the fourth on ground administration. There are no unions.

In 1982 its ultra-low fares on U.S. routes attracted 2.8m passengers, and the airline claims to be the world's fastest-growing carrier.

● A £24m "satellite" pier at Gatwick Airport is to be opened on April 21 by the Duchess of Norfolk. The circular building replaces the North Pier and is connected to the main terminal by an unmanned automatic rapid transit system.

A second terminal building, designed to boost Gatwick's capacity from 16m to 25m passengers a year, is being built.

Pareti: 'enough demand'

League football television agreement moves closer

BY RAYMOND SNODDY

THE Football League, the BBC and the Independent Television companies yesterday moved closer to an agreement that could keep football matches on television screens next season. After four hours of "cordial" talks in London both sides agreed to meet again this month.

After the meeting, Mr Cliff Morgan, head of BBC Sport, said he was more optimistic than he had been earlier in the morning.

The agreement to hold another meeting and to continue negotiations comes in spite of the Football League management committee voting unanimously on March 31 to recommend acceptance of an £8m deal from Telejector. This was for exclusive rights to show league football in public houses.

That recommendation is due to be considered at a special meeting of the 92 League club chairmen on April 26. Mr Graham Kelly, the Football League secretary, said yesterday the meeting's date might have to be revised.

Telejector, a London Liverpool Trust subsidiary, planned to show football extracts on large video-screens in public houses on Monday nights. Last month Mr Jeffrey Bonas, London and Liverpool chairman, said 2,500 screens had been installed and the total would be 5,000 by the end of the year.

Last night he said the Telejector offer was still on the table. He had no plans to increase it.

Yesterday Mr Kelly implied there was a possibility of a better offer from the broadcasting organisations. Neither side would give any details of negotiations. They said they had to consult their respective organisations.

BBC and ITV have repeatedly said the £5.3m for two seasons' broadcasting was their final offer. There is, however, one large area for manoeuvre, the rights to sell abroad.

The broadcasters are understood to be willing to pay the £5.3m for UK rights alone and to cede the right to sell the recordings overseas. This would be a concession to the League, which has complained of the television companies "getting football on the cheap."

Such a deal could substantially increase the value of a BBC-ITV deal and take it past the sum offered by Telejector. The television companies would also be willing to show less football on the television screen —for example, a smaller number of live matches.

They are, however, unlikely to yield to another League demand, the right to carry advertising on players' shirts. The governors of the BBC and the Independent Broadcasting Authority recently reiterated opposition.

The Office of Fair Trading has indicated that even if the League proceeded with the Telejector deal, it might take it to court over its rules, under the Restrictive Trade Practices Act 1976.

Division over stock market roles

BY JOHN MOORE, CITY CORRESPONDENT

DEEP DIVISIONS have been revealed among the City and business community over the role of the stockbroker and jobber in the London stock market and whether the two jobs should be merged.

The details are revealed in a survey prepared by Business Opinions, a subsidiary of the financial and corporate communications company, Charles Barker. Just over half the respondents supported the continued separation of the two functions, while an almost equal number said a merger of the two roles was "inevitable."

The survey has been carried out ahead of the Office of Fair Trading's action against the Stock Exchange in the restrictive practices court which is scheduled to take place next year. The Stock Exchange is being forced to defend its structure against counter arguments that the function of broker and jobbers, the market makers on the Stock Exchange, should be combined.

The view that dual capacity —which would be established if brokers' and jobbers' functions were fused—would bring no advantages to the Stock Exchange was strongest among investment managers. These were joined by a large number of other City interests, such as accountants, bankers, insurance brokers. They cited conflicts of interests, risk of dishonesty and greater volatility of markets as the principal reasons why they are opposed to the idea.

Company directors on the other hand felt that such a move would lower costs and result in greater flexibility.

● The Department of Trade has published regulations relating to the disclosures which UK reinsurers must make in their annual returns to the department. Reinsurers will have to provide more information about the other insurance groups they do business with

● Disclosure rules for the Lloyd's insurance market are expected to be announced next week. The study will be published by a working party at Lloyd's which was largely formed at the suggestion of the Department of Trade and the Bank of England. The inquiry has paid specific attention to the amount of information which should be provided to auditors by underwriters.

Vehicle checks reintroduced

THE Transport Department is to reintroduce individual inspection of some makes of imported trucks and cars as part of its Type Approval procedures, writes John Griffiths.

The inspections were suspended for some months while the Department prepared to introduce Type Approval for commercial vehicles. This went into effect on April 1.

The regulations aim at ensuring that the vehicles meet UK safety and construction standards.

The target of individual inspections will be makes where Department inspectors are not granted access to producing plants, such as the Comecon countries.

Architect insurers pull out

By William Cochrane

NEW HAMPSHIRE INSURANCE is to cease providing insurance cover for Britain's architects from the end of June because of the soaring cost of faulty work claims.

New Hampshire, a subsidiary of the New York-based American International Group, claims to handle about two-thirds of the architectural profession's indemnity insurance.

Arrangements have been made for New Hampshire's architectural business to be taken over by Home Insurance Company, which is a member of AFIA Worldwide Insurance, an association of several American insurance companies.

Mr Robert Wallace, New Hampshire's assistant managing director, said yesterday: "We are faced with an increasing claims awareness among consumers and the public generally. On top of that local authorities are under financial pressure, and the courts in recent years have interpreted the architects' duty in a much wider way."

The Royal Institute of British Architects said that the laws on building defects needed to be clarified. Following several court cases, building industry professionals and regulatory bodies such as local authorities have had to accept unlimited liability against claims arising from their work.

The architects have said that the court's interpretation of unlimited liability has increased the cost of providing insurance cover. The building industry has asked the Government to establish a sensible time limit within which claims can be made for damages arising from building defects.

The issue has been passed to the Law Reform Committee which has been making a broad study of aspects of the laws of liability.

Merseyside to lose more than 1,000 jobs

BY GARETH GRIFFITHS

MORE THAN 1,000 jobs will be lost on Merseyside in the food and drink industries as a result of measures announced yesterday by Kraft Foods and Britvic, the Allied-Lyons soft drinks subsidiary.

Kraft Foods is to stop making cheese products at its Kirkby plant in Liverpool. It will transfer production to its Fallingbostel plant in West Germany and to Namur in Belgium. Some 930 jobs will be lost in the next six months out of a total of 1,150. The remainder will be switched to the production of margarine and distribution work.

Britvic will close its carbonated soft drinks plant at Wavertree, Liverpool, next month with the loss of 95 jobs. The company plans to switch production to Chelmsford and Leeds.

Carbonated drinks have been hit by the pressure on public house sales over the past couple of years and Britvic says it is the last of the major soft drinks producers to slim its operations. The Wavertree plant was on a restricted site, the company said, and the equipment was old.

Kraft's move means that it is pulling out of cheese making in the UK. Such brands as Dairylea, Philadelphia and Kraft Salad Dressings will be brought in from the Continent. As part of the package, Kraft plans to sell a creamery at Haverfordwest in West Wales, where some 200 people are employed in the production of hard natural cheese—Kraft is having talks with a number of major UK food companies over the disposal.

Yesterday's move means that in less than a year Kraft will have cut its UK workforce from 3,200 to 1,850.

The company, following a two-year study of its manufacturing in Europe, plans to close, or substantially reduce, its two West German plants at Karlsruhe and Lindenberg. The Fallingbostel plant is the most productive in Kraft Europe while Namur is eight years old compared with Kirkby which is 26 years old

● LRC International is to close its photographic processing plant at Ormskirk, Merseyside, by May 27 with the loss of more than 160 jobs. Work will be switched to other LRC plants.

● Bass's Midlands subsidiary, Mitchells and Butler, is to sell 62 of its off licences out of its total of more than 300. Tenants in 44 will have the opportunity of buying the off licences.

Altergo sale hopes high

BY RAYMOND SNODDY

HOPES were rising last night that Altergo, the British software company, which went into receivership on Tuesday, can be sold quickly as a going concern.

Mr Ipe Jacob, joint receiver, of chartered accountants Thornton Baker, said he expected to be able to make a significant announcement on the future of Altergo on Monday afternoon or Tuesday morning.

Mr Jacob said there had been so many expressions of interest in buying Altergo that "I stopped counting at 77."

In spite of its current difficulties, Altergo, which employs 275 staff in the UK, has been one of the most successful British software companies and has had substantial overseas sales. It is the leading British independent supplier of software for IBM computers.

The company was forced into receivership because its bank had not been willing to extend its credit line.

The company expected a loss of £100,000 on a turnover of £9.4m in the year to the end of March.

Clash over Heathrow fees settled

By Our Aerospace Correspondent

THE ROW between 18 foreign airlines and the British Airports Authority over alleged excessive charges by the authority at Heathrow has been settled out of court.

The case was due in the High Court on Tuesday. The airlines claimed substantial damages.

This follows this week's signing of a new memorandum of understanding between the UK and U.S. governments which ensures in effect that in future the airports authority consults more fully with the airlines on all "user charges" such as landing fees but retains the right to charge economic prices for its services.

The memorandum lays down that these prices must be "just and reasonable, equitably apportioned" between airlines using the airports, and complies with the Anglo-U.S. Bermuda Two air treaty.

The key item in the memorandum provides for the BAA to finance in future its major capital spending plans through recourse to external financing and not necessarily through "user charges" such as landing fees.

The memorandum makes it clear that neither side in the charges dispute has given way. The U.S. still believes the charges imposed by the BAA from 1976 to date too high, the UK says it has the right to make such charges as it sees fit.

In the interests of amity each party has agreed to set aside the dispute in the hope that the memorandum will bring better relations and improved consultation procedures on future charges.

Under the memorandum the Government will expect BAA to ensure that future charges more closely reflect costs of providing airport services especially at peak periods.

Where major capital spending by BAA becomes necessary, such as on new terminal buildings, it will not now try to cover those costs from user charges

Building material sales rise for third month

BY ANDREW TAYLOR

SALES OF building materials rose by 4.1 per cent in February compared with the same month last year, according to the Builders Merchants Federation.

It is the third month in succession that sales have risen compared with the dismal trading of a year ago when bad winter weather restricted demand.

The February increase is less than in January and December, when sales jumped 17.3 per cent and 18.3 per cent respectively. However, it underlines the continuing upturn in the construction industry, led by a sharp rise in new housebuilding.

The improvement means that building material sales rose by 3.5 per cent in the 12 months to the end of February compared with the previous 12 months, said the federation.

Sales in February increased by 19 per cent in the West Midlands and by 10 per cent in Scotland by comparison with the same month last year. However, sales in the North West fell by 13.6 per cent, in Yorkshire and Humberside in the East Midlands by 0.2 per cent.

Mr Reg Williams, federation director, said: "The figures indicate that the federation's recent forecasts of increased sales in 1983 will be achieved."

Raymond Snoddy on the pirate radio revival

Transmitter on, Alice is go . . .

YOU CAN get anything you want at Alice's Restaurant—as long as you like heavy rock music, live in the London area and are prepared to stay up very late on Saturday night.

Alice's Restaurant is a pirate radio station which has been broadcasting from a studio somewhere in Ilford, Essex, since January, 1982. Alice runs on a budget of about £2,000 a year and attracts a small but devoted audience which it estimates at 10,000. It also loses about six transmitters a year to Home Office raiders trying to stamp out the illicit use of the air waves and the television interference they believe the pirates cause.

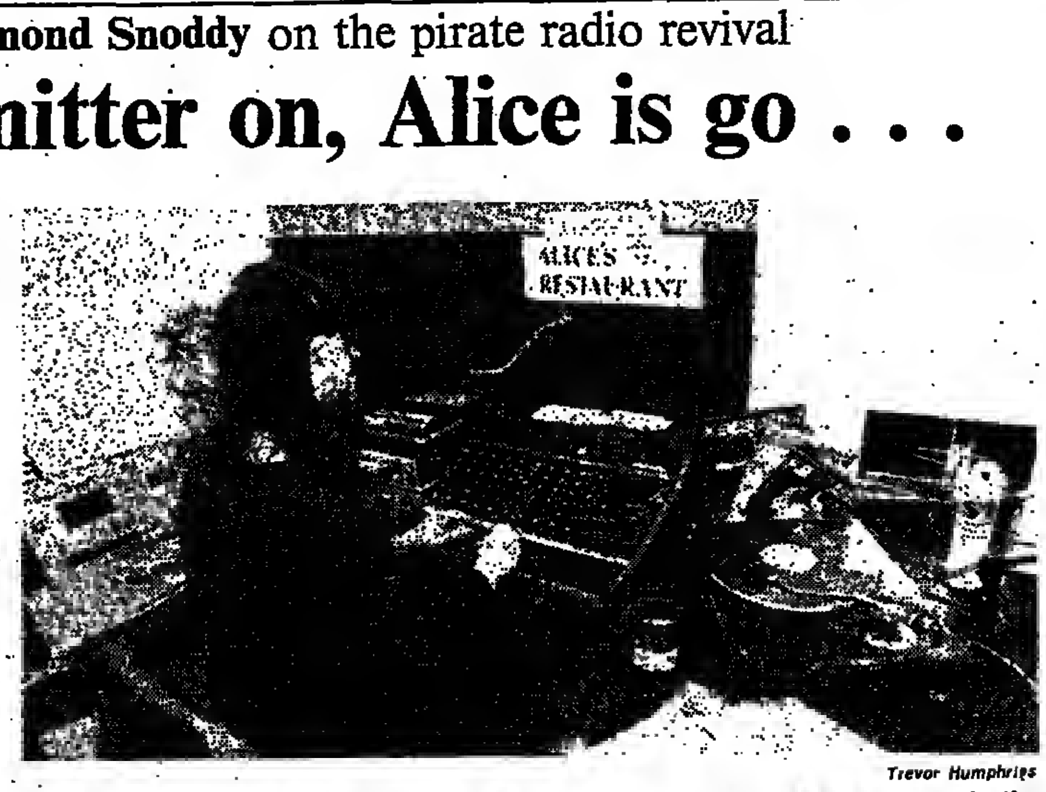
The station comes on the air at 11 pm on Saturdays and keeps going as long as it believes the audience is there or as long as the young broadcasters can stay awake. Although the halcyon days of offshore pirates are long gone, small pirate stations have been springing up all over London. As many as 20 have been monitored in a single weekend. There are also stations in Liverpool and Birmingham.

From Monday, the fines for pirate broadcasting will rise from £400 to £1,000, but the Home Office admits that its agents from British Telecom usually find equipment rather than broadcasters when they mount a raid.

London stations such as Radio Jacky, Horizon, JFM, Invicta, Thameside and LMR keep in close touch. Once one is raided, the rest are telephoned and the unofficial air waves go still until another night or the next weekend.

In 1981, there were only nine successful prosecutions in the UK and 10 last year.

Alice's remote transmitters are usually stationed in the tank rooms at the top of tall



Trevor Humphries

On a budget of about £2,000 a year, Alice's Restaurant is one of about 20 pirate radio in the London area

away when the transmitters are seized.

"Dave Lane," the engineer of the station, who is studying for a degree in electronics, says he can put together a transmitter powerful enough to reach a 35-mile radius for £100.

The other people behind Alice include "Steve Price," the station's "financial controller" who works for a City of London stockbroking firm, and "Brian Marshall," a radio journalist who says he will probably go legitimate eventually.

All the names are pseudonyms.

Helped by volunteers, the team runs a second station, Phoenix, which specialises in new wave music—"civilised punk." Phoenix broadcasts from 7 pm to 11 pm until Alice takes over.

than 80 hours and switched off only between 2 am and 6 am to get some sleep.

The two pirate stations have spent about £3,000 on their equipment which, apart from the main studio, includes a portable studio which they set up in friends' flats to interview pop stars.

Gradually the group has become more seriously committed and tried to improve its broadcasting standards.

"At first we used to enjoy being buccaneers but it has turned into something more serious than just an ego trip. We are trying to produce good programmes for people whose musical tastes are not catered for by other radio stations," said Dave Lane.

The twin stations say they received between 40 and 50 letters a week at an accommo-

the operators say, should help them to break even this year.

Unsolicited sample records arrive from almost all the major record companies.

They have even been sent albums from the U.S. One import played on the air heard by a record importer and is now available for the first time in UK shops.

The Independent Broadcasting Authority admits that the quality of some of the pirate stations is surprisingly good but points out that most do not pay copyright

Brian Marshall claims the station is willing to pay copyright fees

Unless the Home Office starts to spend a great deal more on detection, the call sign of Alice's Restaurant will continue to be heard in the small hours: "Transmitter on 3, 2, 1. Alice

Food promotion groups warned on VAT refunds

BY RICHARD MOONEY

FOOD MARKETING and promotion bodies have been warned that their net incomes could be cut by the withdrawal by the Customs and Excise of their right to claim back value added tax paid on publicity costs.

The warning comes from the Apple and Pear Development Council. It has been told it is no longer regarded as a business and because its revenue comes from a statutory levy on producers it will not be able to claim a refund in 1983-84. In the last financial year it claimed back £60,000 of VAT, representing more than 10 per cent of its total income.

Mr Peter Parr, secretary of the council, has written to the Eggs Authority, the Home Grown Cereals Authority, the Meat and Livestock Commission, the Sea Fish Industry Authority and the Scottish Seed Potato Development Council, warning theme that they could be similarly dealt with if the APDC's appeal against the decision fails when it is heard by the VAT Tribunal on April 21.

At a recent meeting "it was openly stated by HM Customs and Excise that they intended to use our council as a test case and that if their interpretation of the Finance Act was upheld by the tribunal, they had in mind applying the decision to other similar statutory bodies," Mr Parr said.

Probably the most similar body to the APDC is the Eggs Authority. Mr C. R. Parsons, its financial accountant, said yesterday that he was very concerned about the threat.

UK NEWS—LABOUR

Industrial Society critical of union reform proposals

BY PHILIP BASSETT, LABOUR CORRESPONDENT

THE GOVERNMENT'S proposals to improve trade union democracy try to set democratic standards not demanded of any other area of national life, according to the Industrial Society in a critical respoose to the Government's Green Paper on trade unions' internal affairs.

Yesterday was the final day for responses to the Green Paper, *Democracy in Trade Unions*, to be deposited with the Employment Department, and officials will now start sifting the submissions before moving to any further legislative stage.

The consensual Industrial Society says that the paper's suggestion that union members should be able to register their views on all matters concerning them is demanding "a democratic process that has not been achieved since the full assemblies of ancient Athens—if then."

Company members do not enjoy the right to register their views on all matters of the company's affairs, for example, and the Green Paper accordingly "seems to wish to set standards of democracy not demanded in any other sphere of national life."

The society argues that contrary to the Green Paper's suggestions, many unions have altered their internal procedures significantly, listing as examples the Civil Service union, CPSA; the steel union, ISTC; the train drivers' union Aslef; the postal workers' union and the mineworkers.

From this evidence, it says that "it is clear that there is a widespread voluntary move towards reform afoot. This considerable effort to put their house in order by the unions needs nurturing and support."

The society is critical of the Green Paper's suggestions that low turnout in union elections damages their credibility. "This at a stroke writes off local government in the UK and would reflect badly on most of the debates in the House of Commons." It sees this as another instance of demanding of the unions "a higher standard than is practised in vast areas of public life."

It rejects the Green Paper's assertion that allegations of corrupt union practices erode public confidence in unions, saying: "If allegations were sufficient, the Lloyd's insurance market would have collapsed this winter."

The linking of a debate about strike ballots and democracy to the political activities of trade unions is also incorrect, and has coloured responses to the Green Paper.

Overall, the society concludes that there should be no more labour legislation, but a greater encouragement towards greater democracy by unions themselves.

This is also the broad conclusion of a submission by the Institute of Personnel Management on the Green Paper. Voluntary reform would be the most effective method, though the IPM says that this does not exclude codes of practice and guidelines with a minimum of statutory support.

The IPM suggests that there may be scope for a code of practice on trade union balloting criteria.

In addition, the IPM says that elections should only be applied to unions' governing bodies, which once elected should decide in consultation with their members on the election or appointment of union officers.

Pay cut row halts Welsh television plant

By Robin Reeves, Welsh Correspondent

PRODUCTION at GEC—Hitachi's South Wales television plant was brought to a halt yesterday by a row over the Anglo-Japanese company's plans for a cut in take-home pay.

Few of the 1,200 manual workers at the plant at Hirwaun, near Aberdare, reported for work yesterday, after the management had warned that none would be paid if a protest work-to-rule, started earlier in the week, continued.

The work-to-rule was triggered by company proposals for a wages freeze for a third year running and alterations in a bonus system which would leave production workers with £6 to £7 a week less in their pay packets. Current earnings are around £91 a week.

A peace formula worked out on Thursday with the aid of Mr Roy Sanderson, a national officer of the electrical trade union, the EEPTU, as well as local management and union officials, which would have cushioned the impact of the bonus cut over the next 15 weeks, was subsequently rejected by a full meeting of the workforce.

Meanwhile, talks between management and unions to try to end a three-week old strike at Alcan's Rogerstone Aluminium Mill, South Wales, over redundancy terms, started yesterday. The stoppage has centered on Alcan's insistence that 350 planned redundancies should be confined largely to the plant's extrusion mill—which is to be closed—rather than be spread throughout the site on the "last in first out" principle.

The redundancies are part of the company's overall rationalisation plans in the wake of its acquisition of British Aluminium last year. Rogerstone employs 1,500 workers and has escaped relatively lightly in the rationalisation strategy. It is due to expand its sheet and foil production.

Justifying the company's stance, prior to yesterday's talks, Mr Brian Kemp, the plant manager, said it was essential for them to retain the skills and experience in the sheet and foil operations. They did not have either the time or resources for intensive training of people transferred from redundant areas.

Radio Times print switch warning given

BY IVO DAWNAY, LABOUR STAFF

A PRINT union leader said last night that the BBC has already selected alternative printers for the 3.5m print run of the Radio Times if a solution to the two-week-old dispute, which has disrupted publication, is not found shortly.

Mr Ted O'Brien, national Graphical and Allied Trades '82, said last week the BBC had indicated that it wanted to transfer publication of the paper to Thomas Nelson of York and the Severn Valley Press of Caerphilly. However, the union had warned that any such transfer would be met with "blacking" action by Sogat members.

Mr O'Brien said that the decision this week of workers at BPCC's East Kilbride works to return to normal working had clearly persuaded the BBC to maintain publication with BPCC. But there was little alternative for staff at the company's Park Royal, London factory to reaching an agreement in the light of the BBC's threat to reallocate the contract.

Mr Bill Keys, joint general secretary of Sogat, is to address the BPCC Park Royal workers on Monday.

The Park Royal staff are particularly concerned at terms in the peace agreement that commit them to resume normal working on basic rates for four weeks to allow union negotiators to discuss new working practices agreements with management.

Mr Robert Maxwell, the BPCC chairman, has given an undertaking to invest as much as £10m in re-equipping the plant if a settlement is reached. But he has also warned that without an agreement the plant will close within 60 days of last week's talks.

Strike ballot at Karrier

By Our Labour Staff

WORKERS AT the Karrier Motors factories in Luton and Dunstable may strike to try to get the company to increase its 2½ per cent pay offer.

The 1,000 workers at the two plants, which make Dodge trucks, will vote on whether to strike on Monday.

The threat of strike action against the company, a subsidiary of the French motor company Renault, follows a series of talks between union officials and management.

The company has refused to improve on the offer which union officials say would give most production workers increases of about £2.70 a week.

The result of the ballot is expected to be known on Tuesday but the unions, who have made a claim for a substantial increase in pay, will give the company 10 days' notice of any strike action.

Bifu wary over attack on Broad Left group

BY BRIAN GROOM, LABOUR STAFF

LEADERS of the non-political Banking, Insurance and Finance Union are unlikely to make a generalised attempt to curb the controversial internal activities of the Broad Left group, but are thought to be considering expulsions of individual members.

They will be wary of making martyrs, however. They believe the 18-month-old group's numbers to be small and declining, although potentially it could damage the non-political image which has helped Bifu grow to more than 150,000 members.

At the union's annual conference which opens in Blackpool tomorrow, Mr Ken Pooler, Bifu president, is expected to attack as undemocratic the Broad Left's tactics of circulating model motions for branches to put forward.

An attack on the Broad Left is contained in an amendment from the Yorkshire area council, which seeks to instruct all members "to refrain from party political activity within the union, whether by circulation of documents or fringe meetings."

It calls for anyone acting contrary to the spirit of the motion to be disciplined for bringing the union into disrepute, which could mean expulsion.

Standing orders committee has rejected the amendment on the basis that it adds new matter to the original motion—a simple endorsement of the union's non-party political ideals — but if an appeal is upheld it could still be discussed by the conference.

The Finance Workers Broad Left, as it is fully known, circulated nine model motions, eight of which appear on the conference agenda.

A motion calling for a lay member to take the union's automatic seat on the TUC general council, which would bar Mr Leif Mills, general secretary, from the post, seems set to fail.

Bifu's national executive has submitted an alternative motion proposing that Mr Mills takes the seat for 1983-84. The Broad Left will concentrate its efforts on defeating an amendment to this, which would give the post to him indefinitely.

The executive is also opposing the amendment, so it may fail. This will give the Broad Left the opportunity to re-open the issue in the future.

The left will make a determined effort to prevent adoption of a union report on South Africa. The report recommends that Bifu should not support demands for disinvestment by British banks and companies unless it becomes British Government policy.

The Broad Left will also try to win acceptance for motions supporting various forms of unilateral nuclear disarmament.

The group claims to have six subscription-paying members on the new, 30-strong executive, plus the support of another three on certain issues. Opponents of the Broad Left give it only one or two hardcore members on the executive, plus the occasional support of another five.

Attendance at Broad Left meetings has declined recently, but members claim its influence has widened, as indicated by the appearance of independent left-inclined motions on the conference agenda.

The Broad Left's total membership is about 50. Members pay £12 a year to join.

CONTRACTS

British consortium wins £9m Arab deal

A dirhams 50m (£9.3m) contract has been awarded to a British group led by the United Arab Emirates-based quantity surveyors/consultants Widnell and Trollope (Middle East). Sheikh Nahyan Bin Mubarak Al Nahyan has placed the contract, for an 18-floor "mixed use" building combining a commercial development with private accommodation, to be built in Abu Dhabi. The ground floor will accommodate a branch of the BCCI and there will be four floors for offices, three for apartments, and eight for duplex apartments and penthouse suites, a mezzanine floor and a service floor. The members of the consortium are: project managers and quantity surveyors—Widnell and Trollope (Middle East); architects—Wilson Mason and Partners (Middle East); consulting engineers—R. J. Crocker and Partners; mechanical/electrical engineers—Ian Banham and Associates; contractors—Laing Abu Dhabi.

★

Dunlop is to invest £2m in extending its conveyor belt manufacturing facilities at the Drachten, Holland, plant of Dunlop Enerka. The major part of the investment is in a four-bowl calendar and its complete associated production line. Made by BERSTORFF, the calendar is 2.5 metres wide and capable of handling a wide variety of belt reinforcement materials, including single-ply aramid fabric, steel cord carcass and solid woven carcass. Also included in ... tinuous vulcanising equipment. Dunlop Enerka is a member of the Dunlop Belting Group.

★

Contracts worth more than £4.2m for fire protection and distribution pipework systems in a textile complex in Egypt, have been won by HALL AND KAY ENGINEERING, a subsidiary of Staveley Industries. The contract is in two parts. The first is for the design, procurement and installation of a fire protection system in the 48,000 square metre weaving shed. The value of this order is in excess of £500,000. The second part of the contract, worth nearly £4m, is for the procurement and installation of 42 kilometres of distribution pipework throughout the complex.

★

Macarthys is to install a £2m SPERRY UNIVAC 1100/62 multiprocessor system at its headquarters at Romford, Essex. The computer will be the centre of a network serving 18 depots throughout the country and will provide data handling capability. The 1100/62 will have a 1.5 Mwords of main memory supported by 24 8470 fixed disc drives providing a further 12,000 Mbytes of online storage. There will also be four magnetic tape systems and two 1400 lpm printers.

★

C. MISKIN AND SONS, St. Albans, a subsidiary of the Ford and Weston Group, has been awarded three contracts in the London area, worth £2m. A category Two housing and aged persons' houses at Priory Road, N8, and a contract valued at £600,000 for the Greater London Council, for the construction of 20 old people's flats at Whiston Estate. Miskins has also commenced a computer room and office refurbishment project for Beresford Information Technology valued at £200,000.

★

Among awards to the TRY CONSTRUCTION GROUP are two modernisation schemes to 82 dwellings at Feltham and Isleworth for the London Borough of Hounslow with a combined value of £720,000. The Equity and Law Insurance Society has placed an order for the construction of printing facilities at High Wycombe, value £360,000. For the Powell Duffryn Timber Company, the company will construct a woodworking mill and dust extraction plant together with an adjacent storage building at Southall, for £310,000. Work will start soon on extensive renovation and refurbishment of the Grade II listed building Sloane House, Old Church Street, Chelsea, at a cost of £440,000.

★

A £4m turnkey contract to link and fit out twin warehouses on the former Denham film studios site has been awarded to the south eastern region of JOHN LAING CONSTRUCTION. Alterations will provide an office, together with welfare areas, and ... warehouses will be fitted with gas-fired heating, sprinklers, lighting and storage systems.

★

On the site of a 100-years-old salt works at Bromesgrove, RICHARDSON AND BOTTOMS is to build a 73,000 sq ft building split into various warehouse units for Bayer (UK). The site conditions are poor with canal, railway, road and salt lagoons nearby. The vibro-compaction method of soil stabilisation will be used. The contract is worth over £1m. Work has started for completion on December 11.

★

Roofing contractor BRIGGS AMASCO (part of Tarmac group) has won two Scottish contracts, together worth over £1m. In Livingston New Town, West Lothian, the company has a £550,000 order for the roofs and sidewall cladding on four advance factories and in Lady Road, Edinburgh it has won £500,000 worth of work on a major shopping development.

★

A package-deal contract for construction at Tilbury "B" power station has been awarded to PRESS CONSTRUCTION by the Central Electricity Generating Board. Worth well over £500,000, the contract covers design and construction of chemical storage facilities at the Essex power station, with completion scheduled for September. The project consists chiefly of the erection of nine storage vessels in capacities up to 250 tonne for ...

THE WEEK IN THE MARKETS

Shares sprint

LONDON

ONLOOKER

Receding fears of an oil price war continued to work wonders for sterling this week but the equity market had to wait until after the end of the tax year before getting a spring in its step. Then favourable economic indicators helped the FT Industrial Ordinary share index surge, to reach an all-time high of 675 in after-hours trading yesterday.

Gilts were buoyed up by the prospect of a stronger pound leading to further cuts in bank base rates, but the authorities' actions in the market later dashed these hopes, and interest quietened ahead of a new tap stock.

The extended Easter trading account ended yesterday with the FT index up 14 and sterling finished slightly below its midweek peak.

Tilling raided

Business was just getting back into full swing after the Easter break at the London headquarters of Thomas Tilling on Tuesday morning, when BTR chairman Sir David Nicholson and chief executive Mr Owen Green called in. This was the first warning that Tilling's chief executive Sir Patrick Meaney had that a market raid on his company's shares was in progress.

BTR had sent its brokers Cazenove into the market to buy up to 14.99 per cent of Tilling — the City limit for the first stage of a raid.

Despite the description of the purchase as merely "an investment" the City interpreted it as a prelude to a full scale takeover battle between two of the country's largest industrial holding companies.

Prior to the raid Tilling's shares had been languishing around 128p. Even so, BTR's offer in the market of 175p, bettering the 1982 peak, was not wholly successful. By the end of Thursday it appeared to have attracted only 6.7 per cent of the shares at a cost of £34m. Takers remained difficult to find and Tilling's price settled at 175p.

Nevertheless BTR had made itself Tilling's largest shareholder at a price that Sir Patrick described as "wholly unreflective of the underlying worth and prospects."

That BTR might launch a major bid this year should have come as no surprise. It has not gone out of its way to quell talk of an acquisition, most probably to strengthen its foothold in the U.S. But no one had expected anything on such a scale, if Tilling is indeed to be the target. The raid price values the victim at £510m which would make any bid the largest ever industrial takeover on the London stock market.

The timing of the move is understandable. On the day last month that BTR was reporting an 18 per cent pre-tax profits rise to £107m for 1982, Tilling was revealing a 41 per cent slide to £43.7m. The setback arose from a £41m swing from profits into loss by the energy equipment activities in the U.S. after three years of rapid growth by this division.

Overall, Tilling's pre-tax margins have tumbled during the last five years to 2 per cent while BTR, helped by the acquisition of Serck in 1981, has lifted its margins from 11 to 14.7 per cent.

But while BTR may be taking advantage of Tilling's current weakness, the latter's outlook is now much brighter with lower interest costs and a strong dollar likely to aid its profits recovery. So the scene could be set for a bitter tussle.

BAT flying

BAT Industries astonished the City on Thursday when it announced that last year's pre-tax profits steamed ahead by £172m to £856m, with turnover up 24 per cent to £11.51bn — the first time it has topped £10bn. A final dividend of 15p raises the total by nearly a fifth to 27.5p.

It was already clear, even before the news, that BAT was capable of complementing its dependence on tobacco — it sells an estimated 600bn cigarettes annually, accounting for roughly three-quarters of trading profits — with a range of other interests. But last week's figures provide further ammunition against criticisms of BAT's astuteness in buying and running non-tobacco businesses. While tobacco's profits grew 22 per cent, retail profits expanded 42 per cent.

Currency fluctuations gave a solid leg-up to the 25 per cent rise in group profits, but still leave an underlying growth of 11 per cent. One source estimates that the dollar has only to shift one cent against sterling to affect BAT's pre-tax figures to the tune of £3m.

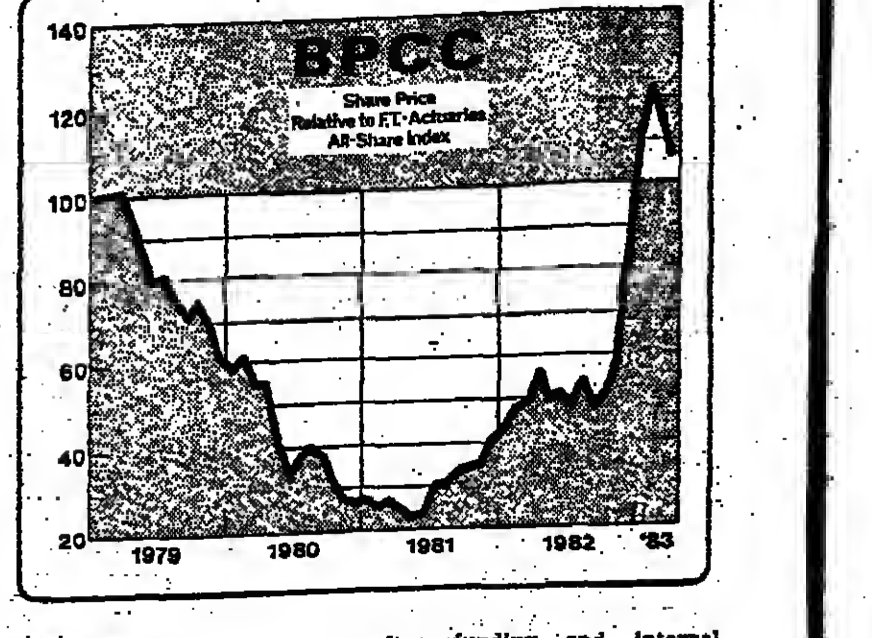
On the non-tobacco side, the troubled International Stores in the UK — often perceived as raising a question mark over BAT's diversification drive — returned to trading profitability by dint of rigorous cost control and improved productivity, while most of the loss-making Mainstop superstores have been sold or merged with International. The recently acquired Marshall Field in the U.S. recorded an £8m surplus after funding and internal financing costs.

Brown and Williamson increased its cigarette sales and profits in the U.S., although its market share shrank 0.6 points. In the current year, U.S. cigarette industry volume is bound to contract following a doubling of federal taxes. Increased tobacco taxes in West Germany have landed BAT in a price war, with a 14 per cent decline in the total market there.

BAT has reacted to these pressures by investing heavily to improve productivity in its cigarette plants.

The paper division—represented by Wiggins Teape and Appleton Papers—improved its profits on the back of higher selling prices and lower input costs, but sales volumes in the UK were down in a slack market.

The group has completed a large capital spending programme in this area, but still has some way to go before achieving its aim of lifting the contribution of the non-tobacco divisions to 40 per cent of group profits.



BPCC recovers

The turnaround in the British Printing and Communication Corporation from a £1.2m loss to a £12.4m profit before tax is the fruit of chairman Mr Robert Maxwell's survival plan for the company.

It was launched in 1981 after the shocking result in 1980 when BPC, Britain's largest printing company, lost £11.3m and the then chairman Lord Kearton warned that receivership was the only other option.

The plan demanded financial reconstruction, reduced manning levels, the introduction of new technology and an agressive marketing and acquisition policy. With union agreement, Mr Maxwell has achieved substantial savings from trimming labour and overhead costs.

The introduction of new gravure techniques and other modern printing methods, bringing cost savings and greater flexibility, continued and produced a sharp improvement in margins. But the performance was still below the hopes of City investors which were set at around £15m, and the share price subsided somewhat.

Another year of negative cash flow was reflected in increased interest costs, up from £6.8m to £8m.

MARKET HIGHLIGHTS OF THE WEEK

	Price y'day	Change on week	1982/83 High	1982/83 Low	
F.T. Govt. Secs. Index	81.90	+ 1.08	85.84	61.89	Hopes of base rate cuts . . .
F.T. Ind. Ord. Index	675.0	+19.9	675.0	518.1	. . . and economic recovery
F.T. Gold Mines Index	598.7	+39.0	734.7	181.2	Firm bullion/bear squeeze
BAT Inds.	690	+35	740	343	Excellent results/3-for-1 scrip
BTR	430	−24	460	306	Attempted bid for Tilling stake
Brotherhood (P.)	14½	−11½	146	13	Thermo Electron bid 13p
Datastream	248	+23†	253	228	Successful debut
Distillers	251	+32	264	162	Broker's circular
Dreamland Elect.	19	+ 6	26	12	Strong profits recovery
Glaxo	870	+50	870	209	Interim due on Monday
Grattan	58	− 8	122	56	Annual loss/omitted final div.
Marks & Spencer	214	+22	237	125	Institutional demand
NEI	93	+ 9	96	77	Buying ahead of results
Norton & Wright	125	+40	125	33	Profit & div. forecast/scrip issue
Saxon	185	+78	187	57	Hopes of new bid
Sumrie Clothes	85	+17	100	32	Tillman Group gains control
Sun Alliance	£11	+ 1¼	£11	734	Impressive annual results
Tilling (T.)	176	+50	176	109	BTR bids for 14.99% at 175p
Turner & Newall	45	+ 9	108	20	Recovery hopes

† Based on tender price of 225p

Tired equities

NEW YORK

RICHARD LAMBERT

IT'S BEEN an undistinguished sort of week on the New York Stock Exchange. Share prices have drifted lower in relatively dull trading and there have been no new leads coming from the bond market.

Tuesday brought some light relief, when the newspapers quoted an un-named official of the Federal Reserve Board as saying that interest rates were far too high and that the surge in the money supply numbers was probably coming to an end. The report didn't actually say that the official in question was extremely tall and smoked cheap cigars, but they otherwise left you in no doubt that the views were those of Mr Paul Volcker, the Fed's chairman.

Despite this encouragement, the equity market has been looking rather tired all week, probably for two main reasons. The first is that the market's excitement a month or two ago about the pace of economic recovery has now given way to the realisation that the upturn is likely to be gradual and spotty. On the one hand, business executives are growing increasingly optimistic: the conference board's index of business confidence bounced up smartly again last month. But what is the great American public up to?

According to the big store group's business is humming. On Thursday, they reported sales gains for March which ranged up to 27 per cent in the case of Dayton Hudson, and shares in the sector moved firmly ahead.

The motor car sales figures on Wednesday told a different story. Business had been looking really quite brisk over the winter months, but in February and March, sales by the U.S. manufacturers were only 1 per cent better than in the same period of 1982, and the annual rate of sales in March was only about 6m units — scarcely better than the outcome for 1982, which was the worst in over 20 years.

A second explanation for the market's hesitation in the last few days is that a number of companies have come up with some surprisingly disappointing forecasts of their first quarter earnings figures. Prime Computer was the big loser of the week, falling nearly 10 points to around $33 on news that earnings in the three months to March had fallen by about a fifth.

So it's important that we get some good news in the quarterly reporting season which gets under way in the next week or so. The banks are traditionally among the first companies to produce their figures, and although their message may be obscured a little this time by a new accounting treatment, their message should—with any luck—be positive. Salomon Brothers estimates that the 34 banks which it follows will record an average earnings gain of 11.3 per cent, compared with a decline of 7.5 per cent in the dismal final quarter of 1982.

Still on a seasonal note, this is the time of year for annual meetings—and proxy battles. Some juicy affairs are cropping up in the weeks ahead. Shareholders in GAF are being deluged with messages from their board and a dissident shareholder group, with each side putting forward the most unkind thoughts about the other. This one is a bit like a fight between a ferret and your mother-in-law: it's hard to know who you want to win.

What could be an even more bloody affair comes up early next month at the annual meeting of Flexi-Van where the directors will try to fire Mr David Murdock, a Californian zillionaire, from the board. Mr Murdock doesn't care to be pushed around, and he has bought a stack of shares this week to show he means business, taking his holding up to over 30 per cent.

Meanwhile Flexi-Van is looking for a white knight to come to its rescue, and speculation about a bid has driven the shares up to around $27¼, compared with fully diluted earnings last year of just over $3 a share. But it will take quite a bold bidder to come up against Mr Murdock, a man who looks as though he eats white knights for breakfast.

A third and potentially more intriguing affair concerns the future of Trans World Corporation, the holding company for TWA—the big airline—as well as the Hilton International hotel chain and a number of other rather attractive properties.

Odyssey Partners — a group which owned the securities firm Oppenheimer and Co before it was sold off to Mercantile House of the UK—thinks that Trans World's share price does not reflect the value of its underlying assets. It wants the board to work on a programme aimed at splitting up the business, by spinning off subsidiaries to shareholders or selling them off outright.

MONDAY	1127.67	−2.42
TUESDAY	1120.16	−7.45
WEDNESDAY	1113.49	−6.67
THURSDAY	1117.65	+4.16

U.K. CONVERTIBLE STOCK 9/4/83

Statistics provided by DATASTREAM International

Name and description	Size (£m)	Current price	Terms*	Conversion dates⊕	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ§	Income Conv¶	Income Div♡	Cheap (+) Dear (−)◊ Current
British Land 12pc Cv 2002	9.60	295.00	333.3	80-97	4.1	1.0	2.3	− 4 to 8	29.9	81.3	17.8	+15.5
Hanson Trust 9½pc Cv 01-06	81.54	192.00	107.1	85-01	5.1	3.2	−4.2	− 4 to 7	116.5	72.4	−22.0	−17.9
Slough Estates 10pc Cv 87-90	5.03	235.00	234.4	78-84	4.3		−2.7	−13 to −2	17.9	9.5	− 3.5	− 0.8
Slough Estates 8pc Cv 91-94	24.72	110.00	97.5	80-89	7.4	6.7	9.5	4 to 12	29.3	34.9	5.6	− 3.9

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness. ⊕ Second date is assumed date of conversion. This is not ...

MINING

The changing face of Gencor

BY GEORGE MILLING-STANLEY

THIS TIME last year, things did not look too bad at all for General Mining Union Corporation (Gencor), South Africa's second largest mining and industrial finance house behind Anglo American Corporation.

The group seemed to be weathering the storms of international recession quite well, and was bold enough to suggest that 1981's profits might well be repeated in 1982.

In the event, attributable profits for 1982 came out at R267.4m (£167m), a fall of 16 per cent. The effects on metal prices of the continued worldwide economic downturn, and the impact on the group's domestic industrial interests of the onset of recession in South Africa, were mainly to blame for the underperformance.

As the accompanying graph shows, there was a further shift in the balance of contributions by the various sectors to group profits.

In 1981, with South Africa's economy still bubbling away quite merrily while the rest of the world, by contrast, was looking increasingly depressed, Gencor's sizeable industrial interests became for the first time the major contributor to profits.

This trend remained in force last year, in spite of a fall of no less than 30 per cent in the value of income from the industrial interests as the South African economy began to slide during the second half of the year.

While the share of the industrial and commercial interests contracted slightly from 38.3 per cent to 35.4 per cent, it still accounted for by far the biggest single portion of income.

The profit from gold and uranium, meanwhile, was falling back even further from 1981's level, and now makes up little more than a quarter of group attributable profits.

The financial sector retained its third place in the levels of contribution thanks largely to increased earnings from township and property development and activities on the money markets.

Platinum, held through Gencor's interest in Impala Platinum slipped from fourth to fifth in this particular league table, with the important U.S. motor industry limiting its offtake to the minimum levels stipulated in long-term contracts.

Demand from the jewellery industry remained on the downward trend throughout the year with the exception of Japan, which became the biggest consumer of platinum worldwide.

Coal was the commodity which overtook platinum, although even here there was a marked softening in export prices towards the end of the year.

Mr Ted Pavitt, Gencor's chairman, said in the latest annual report that he expects a further weakening in 1983, but he still regards the long-term prospects as promising.

In sixth place last year came the group's base metal and mineral activities. The cash value of their contribution was down, but the percentage share increased.

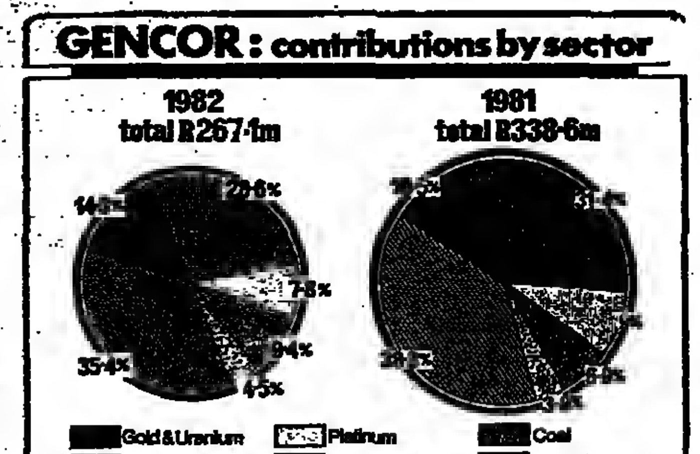
In fact, the results of these activities were cushioned to some extent from the worst effects of the worldwide declines in base metal prices by the additional income contributed by the asbestos mines acquired from Transvaal Consolidated Land and Exploration at the end of 1981.

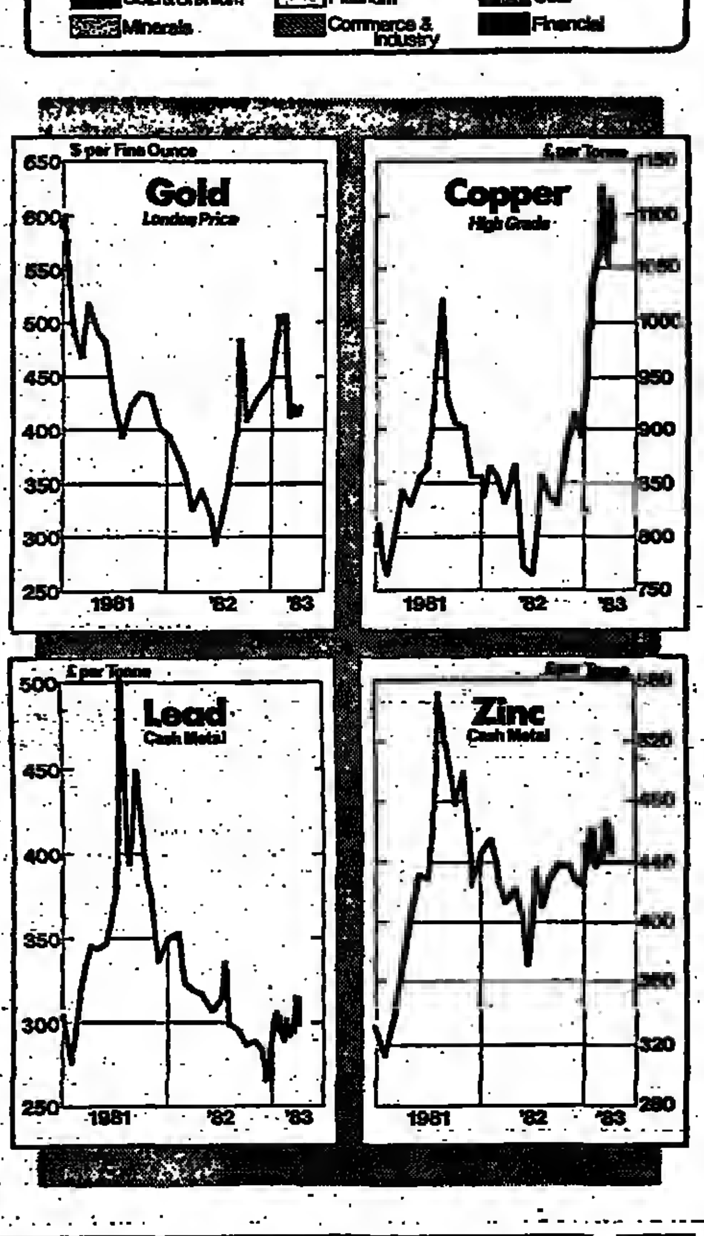
This all serves to demonstrate clearly the savage effects the world recession has had on the profits of big mining groups.

Even Gencor, with an excellent spread of interests in mining, ranging from gold and uranium through platinum, coal, asbestos, chrome, manganese, fluorspar, ilmenite, rutile and zircon, was not immune.

However, the picture could change this year. Mr Pavitt's statement was understandably not optimistic, with the prediction that the group can expect no worthwhile growth this year.

There could though, be quite a shift in the balance of contributions by sector, with less *coming from the industrial side* as South Africa slides deeper into recession, and an improvement in the prices of exported metals with demand picking up in the rest of the world as it emerges from the depths of the last couple of years.





F.T.-ACTUARIES SHARE INDICES

QUARTERLY VALUATION

The market capitalisations of the groups and sub-sections of the FT-Actuaries indices as at March 31, 1983, are expressed below in millions of pounds and as a percentage of the All-Share Index. Similar figures are also provided for the two preceding quarters.

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses denote number of stocks)		Market capitalisation as at Mar. 31, 1983 (£m.)	% of all share index	Market capitalisation as at Dec. 31, 1982 (£m.)	% of all share index	Market capitalisation as at Sept. 30, 1982 (£m.)	% of all share index
1	CAPITAL GOODS GROUP	(206)	26,539.6	21.37	25,611.7	22.37	25,616.6	23.91
2	Building Materials	(28)	4,179.8	3.37	3,833.4	3.35	3,319.0	3.10
3	Contracting, Construction	(30)	2,360.4	1.90	2,212.8	1.93	1,880.8	1.75
4	Electricals	(33)	11,174.8	9.00	11,809.4	10.31	12,782.5	11.93
5	Engineering Contractors	(10)	528.1	0.42	517.3	0.45	551.5	0.51
6	Mechanical Engineering	(64)	3,885.5	3.13	3,582.5	3.13	3,607.7	3.37
8	Metals and Metal Forming	(11)	1,109.4	0.89	879.9	0.77	803.1	0.75
9	Motors	(18)	646.5	0.52	514.9	0.45	490.2	0.46
10	Other Industrial Materials	(17)	2,655.3	2.14	2,221.2	1.93	2,180.9	2.04
21	CONSUMER GROUP	(201)	40,980.0	33.01	39,684.6	34.66	36,593.4	34.16
22	Brewers and Distillers	(23)	6,595.7	5.31	6,822.6	5.96	6,106.5	5.70
25	Food Manufacturing	(21)	5,590.3	4.50	5,292.7	4.62	4,741.0	4.43
26	Food Retailing	(14)	3,346.9	2.70	3,493.5	3.05	3,223.0	3.01
27	Health and Household Products	(8)	6,893.2	5.55	5,725.8	5.00	4,954.9	4.63
29	Leisure	(24)	3,102.3	2.50	2,745.8	2.40	2,578.7	2.41
32	Newspapers, Publishing	(14)	531.5	0.43	393.5	0.34	338.3	0.31
33	Packaging and Paper	(14)	1,144.1	0.92	1,029.3	0.90	1,038.7	0.97
34	Stores	(45)	9,036.4	7.28	9,685.8	8.46	9,340.3	8.72
35	Textiles	(22)	1,188.8	0.96	1,022.8	0.90	1,018.6	0.95
36	Tobaccos	(3)	3,315.1	2.67	3,259.2	2.85	2,978.4	2.78
39	Other Consumer	(10)	252.5	0.12	206.9	0.18	206.0	0.19
41	OTHER GROUPS	(79)	10,763.3	8.67	9,184.0	8.02	8,178.8	7.64
42	Chemicals	(16)	4,193.3	3.38	3,711.2	3.24	3,136.9	2.93
44	Office Equipment	(6)	591.6	0.48	432.1	0.38	438.3	0.41
45	Shipping and Transport	(14)	1,147.9	0.92	878.7	0.77	900.3	0.84
46	Miscellaneous	(44)	4,830.5	3.89	4,162.0	3.63	3,703.3	3.46
49	INDUSTRIAL GROUP	(486)	78,282.9	63.05	74,480.3	65.05	70,318.0	65.65
51	Oils	(14)	14,172.9	11.41	12,292.7	10.74	10,987.0	10.26
59	500 SHARE INDEX		92,455.8	74.46	86,773.0	75.79	81,305.0	75.91
61	FINANCIAL GROUP	(121)	20,393.3	16.42	17,679.7	15.44	16,342.8	15.26
62	Banks	(6)	4,820.4	3.88	4,110.8	3.59	3,823.5	3.57
63	Discount Houses	(9)	187.9	0.15	188.0	0.16	186.0	0.17
65	Insurance (Life)	(9)	2,977.1	2.40	2,670.6	2.33	2,256.7	2.11
66	Insurance (Composite)	(10)	4,047.7	3.26	3,640.7	3.18	3,362.7	3.14
67	Insurance Brokers	(7)	1,066.2	0.86	867.7	0.76	930.1	0.87
68	Merchant Banks	(13)	947.5	0.76	843.5	0.74	771.9	0.72
69	Property	(54)	4,640.5	3.74	4,110.9	3.59	3,900.6	3.64
70	Other Financial	(14)	1,706.9	1.37	1,247.5	1.09	1,115.1	1.04
71	Investment Trusts	(109)	7,585.9	6.11	6,540.5	5.71	5,933.3	5.54
81	Mining Finance	(4)	2,463.7	1.99	2,352.6	2.05	2,109.1	1.97
91	Overseas Traders	(16)	1,265.9	1.02	1,149.8	1.00	1,432.6	1.32
99	ALL-SHARE INDEX	(750)	124,164.5	100.00	114,495.4	100.00	107,112.9	100.0

FINANCE AND THE FAMILY

Alternative to B & B

BY OUR LEGAL STAFF

Would the sale of part of a holding of shares by a husband for cash and the purchase of the same number of shares by his wife on the next day be an effective alternative to "bed and breakfast" if: (1) Husband and wife had opted for separate tax assessments and (a) the wife paid cash, or (b) purchased for settlement on settlement day? (2) Husband and wife had not opted for separate tax assessments and did the same? (3) On sale of the residue of the husband's holding in the next tax year would the date of his purchase of his holding be accepted for the purpose of inflation adjustment for capital gains tax or under the LIFO rule the date of the wife's purchase hold?

The answer is yes to both parts of both questions 1 and 2. It would similarly be yes if the husband sold for account settlement.

The answer to question 3 is yes to the first alternative (and consequently no to the other).

No allowable loss

I refer to your reply under "Swapping share with son" (March 5) in which you state that sales between father and son are . . . a means of establishing chargeable gains. I have shares which cost £9,000 and are now trading at £4,000. I am proposing to sell them to my adult son on a put through transaction through my stockbroker (but not the jobber) and my son to pay me in cash. The cost would therefore be limited to 2 per cent. Does your reply mean that I will not be able to charge £5,000 as an allowable loss? And can you refer me to the legislation determining the exclusion?

A sale to your son cannot produce an allowable loss (unless other sales to him produce gains to cover the loss), because of section 62(3) of the Capital Gains Tax Act 1979. This rule was originally enacted in paragraph 17(3) of schedule 7 to the Finance Act 1965, to frustrate schemes to avoid CGT.

Avoiding a tenancy

Many years ago I let some land to an old friend who paid a small rent each year a day earlier than the previous year. We did not bother to get an annual licence between us or from the Ministry of Agriculture. I did commence, however, by getting from the Ministry "A notice of approval of minister to land being let on less than Annual Tenancy or Licence."

My friend died and his son asked me if he could continue, to which I agreed. In recent years, however, he has made a habit of paying his rent on two half year fixed dates and I am wondering whether he could claim more than a licence and become tenant and be difficult to shift. What do you think I ought to do?

To avoid being a tenancy with statutory protection it does not matter whether there is a letting or a licence, so long as the agreement is for grazing only and is for a period (in each case) of less than a year (eg 360 days), nor is Ministry approval required even if it is a letting. What you should do is to state to the son on the next convenient occasion that you are granting him a fresh licence, for grazing only, from such and such a date for 360 days (or as the case may be). You should then make a full and careful note recording your conversation, and when and where it took place; and repeat this process each year. Better still, get him to confirm it in writing.

A confidential report

I have to bring a claim concerning land compensation. This involves a valuation date of nearly eleven years ago. The only information that can be used to pursue the claim is held by the Inland Revenue. They have stated that their records of purchases derived from submission of form STAMPS L(A)451 is completely confidential. From perusal of the form and the relevant Act there is nothing to state such information is confidential. Am I right?

There is a general rule of privacy of title in England. We think that, without statutory provision the court would construe the stamps form to which you refer as being a confidential document which should not be disclosed to third parties.

An unmarried couple

We have a young illegitimate son. The father and I are living together and both in employment. I understand that it may be possible to save tax by obtaining an affiliation order against the father. I believe that for maximum benefit this should be paid to the child and be equal to his personal allowance. Could you please advise me further on this matter?

Despite their titles, you will find general guidance in two leaflets, which are obtainable from most tax inspectors' offices:

IR29—Income tax and one-parent families.

IR31—Income tax and married couples.

If you wish to pursue your idea, you will find the help of a solicitor (or maybe a local voluntary organisation). Our own inclination might be to await an indication from the Chancellor as to when (and to what extent) he plans to invite Parliament to modify its 19th-century view that marriage should be a prime criterion of taxable capacity, as foreshadowed in the green paper issued in 1980. However, the Financial Secretary's remarks during the adjournment debate on Budget Day were not encouraging, so you may decide that you should not defer action to the benefit of your small son under the existing law.

A pension and a student

Having obtained her MA degree my daughter entered pensionable employment on April 6 1982. Between completing her Bachelor Degree and returning to college for further studies, she was working in industry in a non-pensionable post for two years spanning the three tax years 1978-79, 1979-80 and 1980-81. If I provide her with a sum equal to 17½ per cent of her earnings in those three tax years (this would be less than the annual tax-free CTT allowance), can she now, under the six-year rule, buy with it a single-premium pension plan for the non-pensionable period? Or would she be debarred from this by the fact that she is currently in pensionable employment?

Yes — provided she pays the premium *and* submits the claim to her tax inspector before the end of the tax year (Easter Tuesday).

The maximum premium will be either: (a) 15 per cent of her 1978-79 assessable earnings plus 15 per cent of 1979-80 plus 17½ per cent of 1980-81; or (b) 100 per cent of her 1980-81 assessable earnings, whichever is the smaller figure.

It would be a good idea for your daughter to write to her tax inspector for a claim form straight away, telling him the amount of the premium she intends to pay, as time is short.

Cat and dog trespassers

Sometime ago, you advised a reader that there was little to be done to prevent a neighbour's cat from trespassing in his garden apart from the use of a powerful water pistol.

You indicated that, at common law, a cat is regarded as not being an animal sufficiently capable of being controlled to fix its owner with liability. Could yet let me know if this ruling applies to dogs or if an owner is expected to keep his dog under some restraint?

My problem arises from a nearby resident permitting two Alsatians to roam at large in the neighbourhood and also entering the close in which I live, over a boundary fence to the detriment of cultivated borders and lawns.

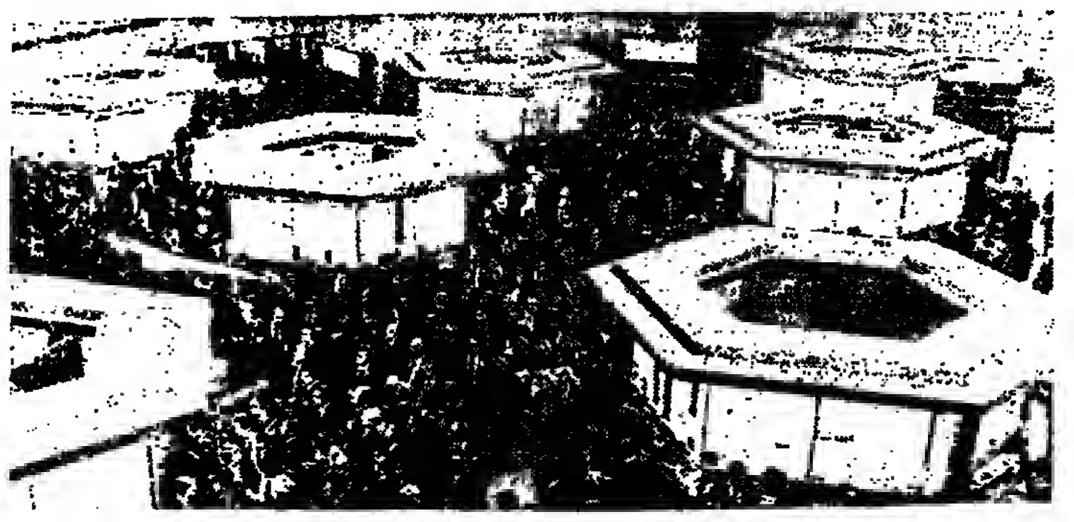
Dogs are not wholly to be equated with cats when trespassing, see for example the strict liability for injury by dogs to livestock under section 3 of the Animals Act 1971. However both cats and dogs are excluded from "livestock" for the purpose of trespass under section 4. It seems therefore that any claim you might have against the dogs' keeper would have to be founded in negligence. There is no reason why such a claim should not succeed, especially if damage is caused after the keeper of the dogs has been warned that they are causing damage.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

YOUR SAVINGS AND INVESTMENTS—1

The war for your money . . . a report by **Charles Batchelor**

Trusting to the professionals



The trading floor of the London Stock Exchange

THE DISCREET rivalry between unit trusts and investment trusts for your surplus funds seems set to break out into open warfare.

The investment trusts, which manage more than £10bn worth of funds, feel that the unit trust movement, with about £8bn worth of assets, has gained more than its share of the limelight. To redress the balance the Association of Investment Trust Companies (AITC) has begun a promotion campaign.

Many private investors are understandably unsure of the precise difference between the two sorts of trust and confused about what each has to offer.

While both provide an opportunity for the small investor to invest in a relatively secure fashion in the Stock Exchange there are significant differences between the two types of trust.

An investmeot trust is a public company, like any other industrial or trading compaoy listed on the Stock Exchange, with a fixed amouot of capital divided into shares.

But whereas other public companies' assets take the form of buildings, plant and machinery, the assets of an investment trust are the shares of other companies

Investmeot trust abares, like those of other listed companies, can only be brought through a stockbroker, or other intermediary, such as a bank.

A unit trust, on the other hand, is not a company and does not issue shares. Its capital is "open-ended," that is divided into units of equal value whose numbers can be increased or reduced depeoding on the inflow of funds. The investor can buy either from the trust's managers or through an intermediary.

The investment trust industry's image has suffered from the fact that its shares have receotly been trading at large discounts to the underlying asset value.

These discounts now average approaching 30 per cent but were above 40 per cent a few years ago. The more specialised trusts, which have been launched, concentrating on areas such as Japan, the U.S. or Australia, have generally achieved lower discounts or in some cases premiums.

The discounts have given the investment trust industry a bad name sinre they have been seen as a mark of failure of a share to perform. Unit trusts do not suffer from the same disadvantage since their managers price their units to reflect the underlying asset value and cao buy in any surplus units on offer.

The AITC hopes to turn the discount problem to its advantage by stressing the "gearing" element. An investment of 100p could give you access to 125p worth of assets.

Another advantage which investment trusts have over unit trusts is in the freedom the managers enjoy to invest in a wide range of assets, including unlisted companies and property. Unit trusts are generally limited to quoted companies.

Investment trusts can also borrow additional funds to invest for the benefit of their abareholders.

While a purchase of investment trust shares incurs the normal Stock Exchange commissions and expenses—about £39 on a £1,000 investment—the investment trusts say their annual management charges are lower.

The AITC compares the average level for investment trusts of 0.4 per cent with between 0.75 and 1 per cent of asset value for unit trusts. Nor is there a management charge on the initial purchase of investment trust shares, wberas there is a charge of about 5 per cent for unit trusts.

The investment trusts claim a higher rate of portfolio return than other common forms of investment. Funds in an investment trust rose on average by 108 per cent in the three years to December 1982 allowing for the re-investment of income net of basic rate of tax.

This compared with a 73 per cent growth rate for unit trusts, a 31 per cent rate in building society ordinary share accounts and a 27 per cent rate on bank deposit accounts. Inflation over the period for 36 per cent.

On average investment trusts have outperformed unit trusts but the top unit trusts have done better than the best investment trusts, while the bottom unit trusts have done worse than the bottom investment trusts.

Averages can be misleading so the investor is advised to compare the performances of the various trusts before acting.

Unit trusts have a major advantage over their investment trust rivals in that only the former are allowed to advertise directly—hence the AITC campaign. Investment trusts are also barred—like other quoted companies—from paying commissions to an intermediary, which means there is little incentive for him to recommend it as a form of investment. The AITC has now published a free explanatory guide* which aims to set out the advantage of investment trusts.

How much will you need to invest? Unit trusts will accept an initial outlay as low as £200 although £500 is a more normal figure.

Investments trusts set no formal minimum but below £600 the dealing costs are likely to be disproportionately high.

Whichever you choose, for a relatively small outlay investment and unit trusts both give the security of a broad spread of shares otherwise obtainable only by investing £20,000 or so directly in a share portfolio.

* "More for your money." Available from The Secretary, AITC, Freepost, London EC2B 2JJ.

Battle over rebate on commissions

ONE ARGUMENT put forward by the British Insurance Brokers Association for paying higher commissions to some intermediaries than to others is that such additional payments should reflect the level of service provided by brokers, both to their clients and to the life companies.

Since the ending of the commissions agreement, almost all full time intermediaries have secured higher commission payments and we are now seeing a somewhat paradoxical situation in which some intermediaries are giving back part of the commission to their clients.

Last week Capital Plans, a pension specialist based in London, launched a national advertising campaign offering up to a 50 per cent rebate on the first year's commission on self-employed pension plans. The company intends to extend the rebates to executive pensions, savings plans and life assurance.

But this is not the only intermediary offering rebates. Barranworth based in Ilford has been operating a rebate scheme for several weeks.

There are two methods of rebating the commissions. The intermediary can return part of the commission in the form of cash to his client as with Capital Plans. Or the rebate can be used to enhance the benefits as with Barranworth. And these are firm arguments for either course of action.

Clients, particularly the self-employed, hand over their pension contributions somewhat reluctantly. They think they can always find a better use for their money. So cash returned in their hand is very attractive. In addition, it boosts the cash flow of their businesses.

But since the self-employed will be taking out new pension contracts periodically and receiving rebates, the Inland Revenue could consider the cash as part of the self-employed trading income, and impose tax accordingly.

This problem does not arise if the commission rebated is used to enhance benefits. The table shows the effect of rebates on the — projected — cash sums for Scottish Equitable's Reflex contract.

The concept of a rebate is not entirely new. Consulting actuaries, who only operate on a fee basis, have negotiated contracts net of commission for their self-employed clients for decades.

Eric Short

SCOTTISH EQUITABLE—REFLEX CONTRACT
PROJECTED CASH FUND AT AGE 65

Annual premium £1,000

	Managed	
	40	50
Commission	£	£
Full	183,263	45,861
Half	189,335 (+3.3%)	47,556 (+3.7%)
Nil	195,407 (+6.6%)	49,251 (+7.4%)

Revolution in Leamington Spa

LEAMINGTON SPA is an unlikely spot for a revolution, least of all in retail banking. But despite the vestiges of Regency glory Midland Bank has chosen the town as its first veoue for its leap forward into the future with wbat is called a shoppers branch.

The shoppers branch, which opeoed on Wednesday at 33 Parade, is an attempt to take the fuddy-duddyness out of branch banking. By introducing an open-plan lay-out with free standing cash tills the bank hopes to attract customers who may in the past have found the relaxed atmosphere of a building society more welcoming.

In just three months, at a cost of £175,000, the branch has been gutted and redecorated so that 75 per cent of the floor space is open to the public rather than the traditional 15 per cent or so.

More radical is the emphasis on creating a boutique atmosphere with taped music, a neon sign and mirrors on the ceiling with spot lights. The floor is carpeted in grey with a prominent Midland logo.

The bank staff are kitted out in grey and maroon. They sit on orange chairs which add to the air of brashness reminiscent of the sixties.

There are four Speedcash units which are free standing cashier positions with no security screens. The bank teller can dispense up to £200 or accept deposits of up to £100. Any deposits or cheques are fed into the top level security section by a metal pneumatic tube.

There is a more traditional cashier position in one corner behind bullet proof glass where larger transactions can be carried out. In addition, for customers who are keen do-it-yourself enthusiasts there is an automated teller machine, the shape aod size of a washing machine.

Most people's needs will probably be satisfied downstairs but a more prominent sign indicating the services offered upstairs might be a good idea. No supermarket, for example, would dream of putting its top selling items within a few yards of the eotrance.

For other services such as loans, insurance or savings schemes the customer has to go upstairs. There is a small row of white unimposing desks and more orange chairs. The bank manager is to be fouod seated at the corner desk. For those who prefer to discuss their financial affairs in private there is a small interview room.

The bank seems happy about the security arrangements as do the staff. There is a general alarm system, closed-circuit television and each teller has a personal panic buttoo. Midland argues that there is very little cash in the open plan section and it is difficult to reach.

The bank will shut its doors at 3.30 but will open them again at 4 o'clock for a further hour. During this time customers can use the cash dispenser and chat with the staff upstairs but the Speedcash units will be closed. There are no plans to open on Saturdays but the branch hours may be adjusted later to meet customer demand.

Midland emphasises that this is an experiment and it is difficult to see it working in the majority of bank branches with their traditional fortress architecture.

Open-plan design is not a new concept for banks, particularly in the U.S., but few have thrown caution to the wind with quite such verve as Midland.

The idea is a good one in principle. Personally, however, I like my bank to look more solid and respectable than a Carnaby Street boutique. A little old-fashioned wood would not have gone amiss.

Rosemary Burr

The proxy card game and last-chance investors

Terry Garrett gives some timely advice to unitholders

UNLESS THEY iotend to drag themselves to shareholder meetings in the City next Wednesday, this weekend may be the last chance iovestors in two amall investmeot trusts have to consider the fate of their companies.

Consider they may, but their proxy cards are unlikely to change the course of events next week. Their directors appear to have already mustered sufficient City backing to fend off unwanted approaches from Arbuthoot Latham, a merchant bank, regardless of what many small shareholders are thinking.

But that is no excuse for lethargy. A display of dissatisfied shareholders, always assuming there are some, might leave the door open for fresh ideas.

It is another chanter in the now familiar story of the investment trust sector under siege. In this case Arbuthnot has requisitiooed an extraordinary meelin gto vote on its proposals to unitise two specialist U.S. trusts. The Atlanta, Baltimore and Chicago Regional Investment Trust and The West Coast and Texas Regional Investment Trust — both managed by Williams and Glyn's Bank.

Arbuthnot's idea is to swell the ranks of its own North American and International Fund by shoving in nearly £9m of assets held by the two trusts which it claims it could manage much hetter. Even allowing for a hefty level of initial redemptions Arbuthnot could hope to double the size of its fund.

Yet before individual shareholders could start pulling out their proxy cards Arbuthool looked beaten. The trust managers were able to write to shareholders telling them that they already bad support amounting to around two-fifths of the votes. To succeed Arbuthnot would have to win that merchant bank does not show up directly as a significant bolder, through nomioee names and as advisor to private clients, Kleinwort apeaks for around a fifth of the equity of both trusts.

It all looked cut and dried, if rather frustratingly so for those bolders who might bave been attracted by the unitisation proposals. Yet the saga developed further at the end of last week. Out of the blue came a cash offer for Atlanta alone from a Kuwaiti-backed consortium.

The consortium is pitching an offer at 94 per cent of net asset value which may seem tempting coough but because it is a straight bid Atlanta's warrant holders presumably get a slice of the cake, diluting the assets attributable to ordinary shareholders.

Under Arbuthnot's unitsation proposals warrant holders are left out in the cold to the benefit of the ordinary shareholders. Probably unitisation and immediate cashing in would leave ordinary sbareholders no better or worse off than accepting the consortium's bid.

The consortium's plan, if successful, is to place with other investors sufficient ahares so that it ends up owning only 20 per cent and the stock market quote can be maintained. Therefore, some shareholders can "stay in" for the ride and what a ride! The ambition is to turn Atlanta into a rolling financial conglomerate — fund, property will come within its wide brief. Not bad going for a company currently capitalised at £4m.

Who is behind the consortium? The leadership stems from Tony Cole, managing director of Morrisoo Stonebam Investment Maoagement. No wiser? Well, according to directory enquiries Morrison operates without the need of telephones though that is probably more a comment oo the efficiency of British Telecom subscriber services. Morrison is actually a spin-off from a firm of London chartered accountants of similar name.

For the moment, at least, the Kuwaiti option should be put aside. Major sharehnlders voting against unitisation for two trusts are unlikely to welcome a cash bid for one at what apears to be a similar capital gain. Alao the approach out of nowhere with invitations to two existing board members to join the new management team under Mr Cole witbont consulting them first smacks of a naivety casting doubts on the credibility of the whole exercise.

Still, the arguments for unitisation are not as pressing as they were. The U.S. market is in vogue and the discount that specialist U.S. trusts are priced at in the market, with their underlying assets, bas narrowed considerably — watering down any capital benefit from unitising.

Even so if Arbuthnot is defeated on Wednesday, as seems highly likely, it will be looking to unwind its positioo. And it is not the only sbareholder feeling less than enchanted with the two trusts. Regardless of the Kuwaiti money on the sidelines the twist in the saga may not yet have been written. A fairly new merchant bank, English Association, has recently ...

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'po shares %	%	Others
Abbey National	6.00	6.25	7.50	7.25	1-year bigh option, 7.25 6 years sixty plus, 6.75 min. £100, 7 days' notice no interest lost
Aid to Thrift	7.00	7.25	—	—	
Alliance	6.00	7.25	7.75	7.25	3 years Money Monthly £1,000 min. Interest paid monthly
Anglia	6.00	6.25	7.25	7.25	3 yrs., 2 mths.' withdrwl. notice
Birmingham and Bridgwater	6.00	6.25	7.75	7.25	Extra Interest Shares
Bradford and Bingley	5.75	6.25	7.25	7.00	1 m. not. or on dem. (int. pen.) 7.25 High I. a/c 3 m. not. (oo pen.)
Britannia	6.00	6.25	7.25	7.50	Option Bond, 7.25 2 mths.' not.
Cardiff	6.00	7.00	7.75	—	
Cardiff	—	*7.50	—	—	* Share a/c bal. £10,000 & over
Catholic	6.00	6.50	7.50	7.50	6 mooths' deposit, £500 min.
Century (Ediobugh)	6.50	7.00	—	8.00	2-4 years
Chelsea	6.00	6.25	7.25	7.50	im. wdl. (int. pen.) or 1 m. not
Cheltenham and Gloucester	6.00	6.25	7.25	—	
Cheltenham and Gloucester	—	7.25	—	—	Gold Account—savings of £1,000 or more. No notice—no penalty
Citizens Regency	6.00	6.50	8.00	7.50	3 yrs. Double Option shs. 7.40
City of Loodon (The)	6.25	6.60	7.50	8.00	£10,000-£30,000, monthly income, 3 months' notice no penalty
Coventry Economic	6.00	6.25	7.50	7.75	4 yrs., 7.50 3 yrs., 7.25 3 mths.
Derbyshire	6.00	6.25	7.50		6.75-7.35 (3 months' notice)
Greenwich	6.00	6.50	7.75	7.75	2 yrs., 7.50 28-day pen./notice
Guardian	6.00	6.50	—	8.25	6 mth., 7.75 3 mth., £1,000 min.
Halifax	6.00	6.25	7.25	7.25	Extra Interest Plus, 3 mooths' wdl. notice or loss of interest
Heart of Eogland	6.00	6.25	7.50	7.00	1 mth. not., 7.25 flexi. tm. 3 yr.
Hemel Hempstead	6.00	6.25	7.50	7.75	3 yrs., 7.50 3 mooths
Heodoo	6.50	7.25	—	8.00	6 months, 7.75 3 months
Lambeth	6.00	6.50	7.75	8.00	6 mths., 7.75 28 days, 7.25 3 m.
Leamington Spa	6.10	6.35	6.60	—	
Leeds and Holbeck	6.00	6.25	8.00	7.75	5 yrs., 3 mths.' interest penalty
Leeds Permanent	6.00	6.25	7.25	7.25	HRAS, 7.00 E.I. a/c £500 min.
Leicester	6.00	6.25	7.25	7.25	3 yrs., 7.25 3 months
Londoo Grosveoor	6.00	6.60	8.50	7.10	3 mths.' ootice 1 mth. int. pen.
Londoo Permanent	6.00	6.75	—	7.50	1 m. not. or on dem. (int. pen.)
Midshires	6.00	6.25	7.50	7.25	1 year, 3 months' notice no pen.
Mornington	6.80	7.30	—	—	
National Counties	6.25	6.55	7.55	8.00	28 days, 8.25 6 mths., £500 min.
National and Provincial	6.00	6.25	7.25	7.50	3 yrs., 7.25 2 mths., 7.00 1 mth.
Nationwide	6.00	6.25	7.25	7.25	3 yrs., £500 min. imm. wdl. with penalty. Bonus a/c 7.00 £500 min. imm. wdl. with penalty
Newcastle	6.00	6.25	7.50	7.76	4 yrs., 7.25 28 days' notice, or on demand 28 days' int. penalty
New Cross	7.00	7.25	—		7.25-8.25 on share accs., depending on min. balance over 6 mooths
Northern Rock	6.00	6.25	7.50	7.00	High int. sh. 7.25 Prem. share
Norwicb	6.00	6.25	7.50	7.25	3 yrs., 7.00 2 yrs.
Paddiogton	5.75	6.75	8.25	7.25	7 days' notice
Peckham	6.75	7.00	—	7.50	2 y., 8.00 3 y., 8.50 4 y., 7.25 Bns.
Portman	6.00	6.25	7.75	7.00	1 mth., 7.25 6 mths., 7.25 5 yrs.
Portsmouth	6.35	6.55	6.06	8.40	5 yrs., 8.00 6 mths., 7.50 1 mth.
Property Owners	6.25	6.75	8.25	8.25	4 yrs., 8.25 6 mths., 7.75 3 mths.
Scarborough	6.00	6.25	7.50	7.25	Money Care + free life ins.
Skipton	6.00	6.25	7.50		7.00-7.15 (1 mth.), 7.25 3 yrs.
Stroud	6.15	6.25	7.50	7.85	3 mths., 7.25 1 m. (no penalty)
Sussex County	6.15	6.40	8.16		6.90-7.90 all with withdrawal option
Sussex Mutual	6.25	6.50	8.00		6.75-8.00
Thrift	6.15	7.15	—	9.15	5 yrs. term. Other accnts. avail.
Tnwn and Country	6.00	6.25	7.50	7.50	3 yrs., 60 days' wdl. notice imm. wdl. 28 days' interest loss
Wessex	6.25	7.30	—	—	
Woolwich	6.00	6.25	7.25	7.25	90 days (int. loss), 7.25 Special Interest Shares 90 days' not. or imm. wdl. with 90 days' int. loss (min. £500), 7.00 immed. wdl. 28 days' interest loss
Yorkshire formerly Huddersfield &	6.00	6.25	7.25	7.25	5 Star Bond min. £500, 2 mths.' not. with pen., 7.25 Golden Key

SAVINGS OFFERS

YOUR SAVINGS AND INVESTMENTS—2

Rosemary Burr reports on rationing in the housing finance market

Why are we waiting?

NEARLY 40 years after the end of the war there is still rationing in the UK. Once again housebuyers are queuing up for mortgages.

Only a year ago many building society chiefs were confidently predicting the dawn of a new era with home loans available freely on demand. Now, however, some people are being asked to wait several weeks for a loan.

So why are householders kept waiting? The building societies appear to be adopting a defensive stance and blame the intermittent lending activity of the banks. Adopting this tack the societies argue that they are lending at historically high levels and if the banks had maintained their profile in the mortgage market all would be well.

While it is true that the banks have substantially reduced their home loan business this really is not a convincing excuse. If the building societies are seeking to expand into other areas of activity such as banking they must surely be first seen to be satisfying demand for home loans.

The crux of the problem is that in order to step up their lending to satisfy the growing appetite for mortgages building societies need to attract additional funds. However monthly receipts are insufficient to support the current monthly £840m of loans. Net receipts for March will probably be around £350m whereas about £800m a month was rolling in last autumn.

The reason receipts are flagging is that the building societies rates have become relatively less competitive than a few months ago. During a large part of last year the building societies were paying investors more net than the banks were giving depositors in gross terms on comparable products.

The recent lack of competitiveness dates back to the Building Societies Association's decision in November to introduce an ordinary recommended share rate of 6.25 per cent and mortgage rate of 10 per cent. This move reflected the societies' view that interest rates would continue to fall and a single figure mortgage rate would be possible in early 1983.

In the event, uncertainty about oil prices and elections jitters contrived to depress the pound on the foreign exchanges and base rates rose by 2 per cent from their level at the time the societies fixed the rate structure.

The societies have this year been faced with a thorny problem. After making such optimistic noises about lower interest rates, could they be seen to reverse this attitude and raise rates? The majority of societies opted to stay with the existing rates, feeling that it was only a matter of weathering a few rough months before interest rates resumed their downward trek.

In the meantime, however, societies have been faced with more mortgage demand than they can easily satisfy, so in some cases queues have again grown up.

Alan Cumming, chairman of the BSA

Not all societies have sat back and watched receipts fall. Several have offered over the standard rate for funds. This is traditionally the way smaller societies have eked out an existence in times when funds are short.

Abbey National, which is never slow to ruffle a few feathers, upset the applecart again by introducing a cheque share account paying 6.5 per cent on balances of £5,000. This was followed by indications that another major society would follow suit, and the chairman of the BSA, Alan Cumming, warned that the cartel was under pressure.

Alan Cumming asks: "Is it too much to ask that the largest societies at least should be prepared to discuss and abide by the decisions arrived at by a majority of the BSA Council?

"I would be failing in my duty" says Cumming, "if I did not take this opportunity of warning that the developments which are now taking place could not only lead to the disintegration of the interest rate system as we have known it but indeed pose a threat to the Association itself."

Not everyone would shed tears if the cartel collapsed. A report this week by Lord Young, president of the Consumers' Association, and Marianne Rigge, director of the Mutual Aid Centre, calls for radical reform of societies including the abolition of the cartel.

In the report, published by the National Consumer Council, the authors say the cartel "is still an inhibitor of full competition between societies and is altogether inappropriate to the age we are now in." The conclusion is that "the exemption from the restrictive practices legislation from the Director General of Fair Trading should now be withdrawn."

Alan Cumming thinks the cartel is important for consumers as without it: "tooth-and-claw competition . . . could lead to an increase in costs to our borrowers and a substantial reduction in the security presently enjoyed by our investors."

The security of investors' funds depends on societies running their business efficiently and there seems to be no reason why societies should not be capable of setting their own rates. As to borrowers getting a better deal, some people looking for mortgages at the moment argue that their needs are not best served by the present situation.

The case for the cartel is a shaky one. Other institutions in the savings market compete openly for funds, there seems to be no fundamental reason why building societies should not be put on an equal footing. Then perhaps would-be customers will not be turned away with the advice to come back in a few weeks' time.

Of course, a higher mortgage rate, with its adverse impact on the Retail Price Index, would scarcely please Mrs Thatcher, pondering on the right date for the next General Election. But then, in raising the tax relief limit to £30,000, the Government has acted to stoke up demand for loans.

The golden shot

AFTER READING quickly through Target Gold Fund's enthusiastic promotional literature, you might be forgiven for thinking that the company has hit on the brightest idea since sliced bread. "For the first time," proclaims the large print, "you can build up a gold portfolio month by month." The idea, of course, is not new. For a monthly investment of between £20 and £100 Target is offering the public a chance to buy into a portfolio of gold equities. The scheme has the additional benefit of an insurance link which will qualify the holder for a monthly tax bonus of 17.65 per cent. The insurance link does, however, have a disadvantage. The full period of investment in the fund is 10 years, and the investment cannot be encashed for a minimum two-year period. It is possible, however, to switch the investment to an alternative fund, but the frequency of these movements is limited and a fee is levied on each switch.

The fundamental problem with any gold-based investment is its high risk. The gold bullion market is notoriously volatile and erratic and gold shares often display these characteristics even more obviously than bullion itself. The nature of the fund also means that investment decisions are made with capital growth as the chief objective, rather than income from dividends.

With this in mind, the fund manager invested in South African and other gold stocks may well be tempted to focus the portfolio on the so-called "marginal" producers — the low-grade, high-cost mines which show magnificent growth in bull markets, but whose survival is threatened when the gold price drops below $400-$450 an ounce.

For all the optimistic sentiment generated in a bull market, declines in the gold price can be every bit as spectacular, with disastrous effect on gold share prices. Last month's sharp fall in the price of bullion, after a seven-month boom in South African gold mining shares, sparked a massive sell-off which knocked 25 per cent off the FT gold share index in little more than a week. Predictably, the marginal gold shares were the heaviest losers.

Despite the violent swings which characterise the gold market, Target's brochure says little about the risks attached to investing in its fund. Ignoring the approaches of its more sober competitors, Target highlights the attractions of its offer, while playing down the accompanying risks. One technique used is bashing the so-called "granny" bonds. Target pooh poohs S.A.Y.E. investments which, it says, have managed only to grow in line with the inflation rate. "Surely," persists Target, "your aim must be to exceed (inflation), and by a handsome margin."

What Target neglects to mention is the fact that funds invested in "granny" bonds are even safer than houses, whereas the only certainty about an investment in gold is its unpredictability. For those investors who do not wish to place their savings at risk, "granny" bonds may well be the wisest investment.

Target's brash approach contrasts sharply with the more cautious tone adopted by rival gold funds, Save and Prosper and Britannia Gold and General Trust. For example, Save and Prosper warns: "The potential for reward from an investment in gold may be greater than from other sectors, but the risk is also higher." Investors are further advised to seek the professional opinions of bankers, stockbrokers or solicitors if in any doubt as to the contents of the prospectus.

In contrast, Target's literature blandly reads: "Regular monthly investment irons out the fluctuations in the value of gold. Consequently, unlike holding gold itself, a successful investment in your gold share account is not dependent on successful timing." Target's John Stone says his fund differs from its competitors because monthly payments, and not an initial capital outlay, are the mode of investment. Stone argues that cost averaging benefits resulting from regular buying into the cyclical peaks and troughs of the market, eliminates the risk for investors.

T.rget's management does emp. sise that the full investment period in its fund is 10 years. The closest the company gets to caution is the published statement that "gold can be a volatile investment in the short-term and the price of units can go down as well as up. You should, therefore, consider your gold share account as a long-term investment."

Before 1982, Target's gold fund was invested in a spread of industrial shares. The fund switched to a gold share portfolio in the second quarter of last year, shortly before a sustained run on gold took the bullion price to almost $500 at the year end. That was particularly fortunate timing for Target, which showed impressive appreciation in its newly-acquired portfolio and received the Money Observer's award for the top performing unit trust of 1982.

But successful performance over nine months obviously does not guarantee a sound investment 10 years down the line. As investments go, specialist funds (gold funds included) are a bit of a gamble. As a general guideline, no more than 15 per cent of your total savings should be invested in any single specialist fund. In addition, you would be well advised to consider your own investment priorities, with particular regard to the risk/return relationship, before being persuaded by gimmicky and over-enthusiastic investment advertising.

Chris Wilson

When Mr. Wright comes along

THE LIFE ASSURANCE commissions saga took an unexpected twist this week when, from out of the blue, details were announced on Thursday of a new proposal under the awkward name of ROLAC—standing for Registry of Life Assurance Commissions.

The initiative for this new development has come from the traditional life companies themselves and not from the Action Group set up by the official Associations representing both traditional and unit-linked companies. The Life Offices Association insists that it has no official connection with ROLAC.

The LOA and the Associated Scottish Life Offices terminated the commissions agreement at the end of last year after operating it for two decades. The reason given for this action was the impact of competition from the linked-life companies which were not members of the Associations. A commissions war between the traditional and the linked companies was predicted by some leading figures within the life assurance industry.

When the agreement ended, almost all life companies concerned increased their commission rates significantly by introducing differential payments for registered insurance brokers and other full-time intermediaries. But by and large the market remained stable, at least on the surface.

The Linked Life Assurance Group pledged its members to suport a freeze on maximum commissions while the Action Group endeavoured to produce an alternative solution to the commissions problem.

But under the surface all was not well. Different life companies have different categories of intermediary — full-time and part-time, for example — and an intermediary can sometimes qualify for higher commissions from one life company compared with another. It is understood they are busy sending each other letters of complaint concerning the classification of particular intermediaries.

This erupted to the surface earlier this year over building society MIRAS business, with the societies seeking — and getting — full intermediary status from enough life companies for the rest to be forced to follow. The conflict was over almost before it had begun.

But apparently it acted as a catalyst to bring together six traditional life companies to produce a new proposal to control commissions. These companies set up a steering committee and ROLAC is the result.

The proposals are far from complete but Brian Wright of the Sun Alliance Insurance Group, as chairman of the steering committee felt they were sufficiently advanced and commanded sufficient support to announce them publically.

The intention is to establish a multi-tiered commission structure and define which categories of intermediary will qualify for each particular level. Details are yet to be established, but there could possibly be three levels, with part-time intermediaries qualifying for the basic rate only, registered insurance brokers the top level and others the middle level. But this is just an illustration.

But in order to qualify for these higher levels, intermediaries would not be permitted to accept higher commission rates from other life companies not in the ROLAC scheme. If intermediaries did accept higher rates, then they would only be eligible for basic rate on any business placed with ROLAC companies.

Brian Wright

This element of sanction is the first major departure from the old agreement, under which intermediaries were not penalised for dealing with non-LOA life companies. Now comes the second major depjarture. The scheme will be monitored by a Registrar, who will have wide powers to enable him to perform his function.

Details of how the Registry of Commissions will be kept and how the Registrar will function are still very much in the planning stage. Brian Wright is unable to give details, except to state that the proposals envisaged will enable the Registrar to monitor commission payments.

The reason for ROLAC is to protect the consumer by ensuring an orderly market in life assurance commissions. But will ROLAC work either in theory or in practice?

Putting the cart before the horse, ROLAC will only have any hope of working in practice if the commission levels are realistic and all life companies join ROLAC. At present over 60 life companies have supported the idea, but they are all Association members with the exception of Equity and Law. Thus all traditional life companies are supporting ROLAC.

The attitude of the no-members is one of wait and see, since most of them privately cannot envisage ROLAC ever coming to fruition. These companies cannot see the steering committee ever getting the agreed scale of commissions and ths agreed categorisation of intermediaries necessary for ROLAC to work. And history and current conditions would support this contention.

The LOA tried for two decades to introduce the principle of differential commissions and failed because no agreement on definitions could be reached. As soon as the old agreement ended, the traditional companies gave higher commissions to selected intermediaries. Their aim was, in the words of Eagle Star's chairman Sir Brian Mountain, "to reward those intermediaries who support us with good quality business."

But Brian Wright maintains that he is finding tremendous suoport for the concept, not only from life companies but also from the intermediary groups and the Department of Trade.

Only time will tell, and the ROLAC project is going to need every day until the projected start on January 1, 1984. Meanwhile, Brian Wright wants to hear the views of all those likely to be concerned with ROLAC, including life intermediaries and the public. So any comments please to:

Brian Wright, chairman of ROLAC Steering Committee, Sun Alliance Insurance Group, Sun Alliance House, North Street, Horsham, West Sussex

PROPERTY

Sporting life in Scotland

BY JUNE FIELD

IN 1789 Robert Burns wrote *Admiring nature in her wildest grace these northern scenes with weary feet I trace* on the wall over the fireplace at the Kenmore Hotel, in Perthshire, said to be Scotland's oldest inn. The pencilled lines are still there, under a sheet of glass, perfectly summing up the appeal of the Scottish Highlands.

Some 15 miles from Kenmore, on the western shores of Loch Tay, former Harrods' chief Sir Hugh Fraser bought the Kennell Estate, Killin, a year or so back.

But he finds that with his business activities expanding (he has his own department store in Glasgow now), he does not have the time to enjoy the place to the full. And the fast-moving Sir Hugh is the first to admit that he is not really cut out to be a leisured country gentleman. His late father's home at Hucdock, near Milngavie, six miles from Glasgow, which he has recently been able to buy back, will suit him better. So he has put Kinnell on the market.

This figure includes the historic six bedroom, three bathroom house, headquarters of the Clan McNab in 1654, a 150-year-old Black Hamburgh Vine, 190 ft long, claimed to be the largest in the world, a farm, four small islands, and 5,800 acres, of which, most important some 1,330 acres are suitable for afforestation. There are also rights for fishing, stalking and grouse shooting, although they have not been utilised to the full recently—last year's bag of grouse was 50 brace as against 533 in 1971.

There is also a pond which the villagers use for curling, that satisfying Scottish game where one propels a large heavy stone along the ice to hit another one, frost and moisture being swept away by a broom; then there is the boathouse where Queen Victoria landed in 1842 and was greeted by a 10-gun salute. You can probably buy the cannon provided you promise not to take it away.

The cornerstone of the more general Scottish country house market is the three reception, four bedroom property with a pretty garden and perhaps a little land, within commuting distance of Scotland's major business centres. Country houses which do not fit this category, either because they are too large or too far from the major cities, need to have other things going for them, says Strutt and Parker's Colin Campbell.

"Not only does the main house need to be sound, well-equipped and manageable, but there should be some cottages which could be used for family or friends, or let as holiday accommodation. In short, today a large country house must be manifestly a good investment.

Savills' Guy Galbraith, although observing that sporting estates are bought more for the pleasure they give than the revenue they generate, is nevertheless confident that there will be a considerable amount of offshore interest in these over the next year or so. He currently has "some very strong inquiries" from Germany. One estate coming on to the market in May has a 100-stag forest and a complete river from source to estuary.

Mr Galbraith has some harsh things to say about grouse moors, which vary enormously in value depending on performance: "Generally those in the north of England are the most reliable, with most of the Scottish moors considered more speculative," he says. He believes that many Scottish moors have been overshot, over-grazed and under-keepered, and that grouse stocks have suffered dramatically since the early 1970s.

Currently one of the most active sporting areas is fishing, and on the Aberdeenshire River Dee, Savills are selling shares in the Aboyne Water fishings, where the five-year average annual bag is 145 salmon. The season is from now until the end of September, the fishings divided into three beats, a rotation of water established so that each of the three rods fishes different areas in the mornings and afternoons.

Guy Galbraith pointed out to me the Lummels pool, classic of the lower beat formed below a fast thin rush of water which catches the river into a deep concentrated headstream rushing in from a very high clay bank. Fish lie in the long head rush and the various basins below.

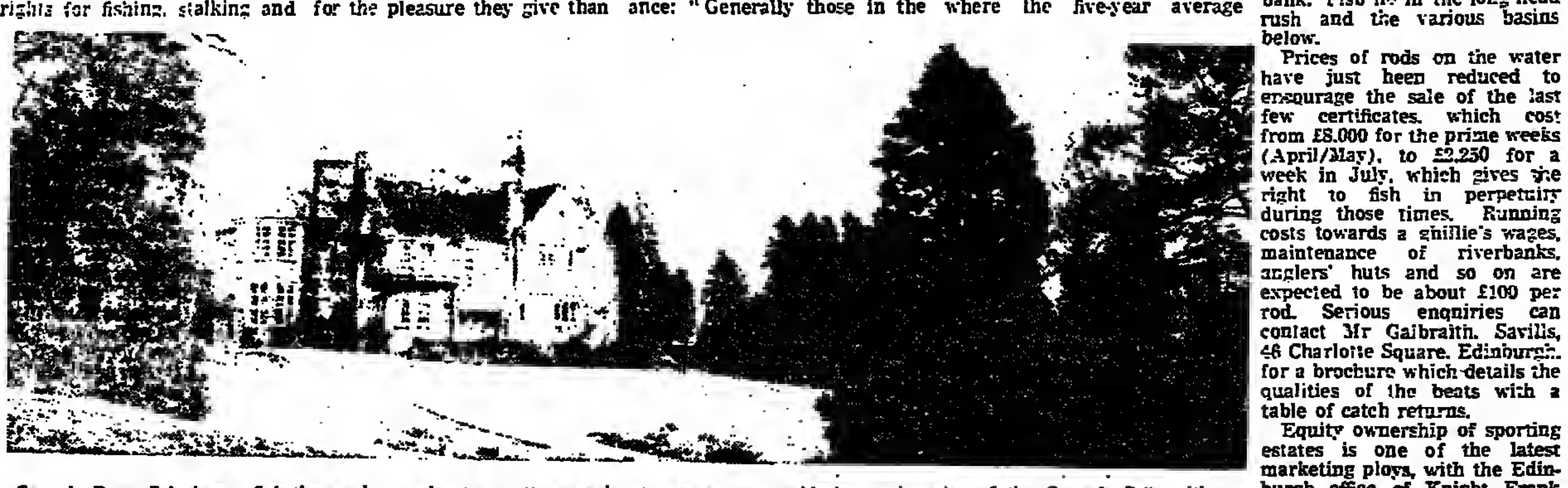
Prices of rods on the water have just been reduced to encourage the sale of the last few certificates, which cost from £8,000 for the prime weeks (April/May), to £2,250 for a week in July, which gives the right to fish in perpetuity during those times. Running costs towards a ghillie's wages, maintenance of riverbanks, anglers' huts and so on are expected to be about £100 per rod. Serious enquiries can contact Mr Galbraith, Savills, 46 Charlotte Square, Edinburgh, for a brochure which details the qualities of the beats with a table of catch returns.

Equity ownership of sporting estates is one of the latest marketing ploys, with the Edinburgh office of Knight Frank and Rutley offering the 1,600 acre Balblair Estate, west of the Bonar Bridge, 43 miles from Inverness, on a time-sharing basis.

"It is an opportunity to become Laird of a fine Highland estate without the cares of all-round ownership," insists KPR's Ian Davie. "It also has the advantage of corporate use for business entertaining, executive incentive or study retreats." Sixteen three-week periods of time are being offered for sale in perpetuity at £35,000 each. This entitles one to use the early Victorian mansion, with its panoramic view across the Kyle of Sutherland, and to share in the estate's amenities, shooting, fishing and deer stalking.

Obviously the best way to be sure of your sport is to try it out. On the 12,500-acre Garynahine Estate on the Isle of Lewis in the Western Isles, 80 miles from Uist, where time-share weeks are being offered from £5,000 to nearly £50,000, prospective purchasers can stay at the house on the estate while they are looking the place over. The property is being marketed on behalf of a subsidiary of Taddale Industries, by Kenneth Ward and Company, Knight Frank and Rutley House London Road, Ascot, Berkshire. There is an airfield at Stornoway some 20 minutes drive from the house, and Mr Ward will send his executive jet to pick up company directors at their nearest airfield.

The 5,800-acre Kinnell Estate, Killin, Perthshire, once the home of the Clan McNab, and later a seat of the Earls of Breadalbane, is being sold by Sir Hugh Fraser through Humberts, 6 Lincoln's Inn Fields, London WC2, and Pollock and Bochan, Buchanan Street, Glasgow, who are expecting offers in the region of £950,000.



Campsie Dene, 7 bedroom, 5 bathroom house plus two cottages and a two acre pony paddock, on the edge of the Campsie Fells with views towards Ben Lomond, is ½ hour's drive from the centre of Glasgow. Jamie Dalrymple Hamilton of the Edinburgh office of Knight Frank & Rutley (031-225 7105) is looking for offers over £265,000 for the whole property which also includes outline planning permission for two houses in the former orchard.

Lords v. Commons

BRIDGE

E. P. C. COTTER

LAST MONTH the Lords v. Commons Bridge Match, brain child of Rixi Markus, was held at the Inn on the Park, the ninth encounter between the two houses for the Guardian Trophy. After some 34 boards of rubber bridge duplicate the Lords emerged the winners by over 5,000 points, thus fully justifying their position as hot ante-post favourites.

The Commons suffered a 700 point penalty on the very first hand, and they never really recovered from this. The Lords made some mistakes, but they outclassed their opponents in both bidding and play. Let us see what happened in this hand, dealt by South with both sides vulnerable:

N
♠ K 10 7 4
♥ 10 7 6
♦ 10 5 3
♣ K 5 2

W
♠ —
♥ A Q J 5 4 2
♦ 9 8 4 2
♣ 9 8 7

E
♠ J 9 8 5
♥ K 8 3
♦ Q J 6
♣ Q 10 6

S
♠ A Q 6 3 2
♥ 9
♦ A K 7
♣ A J 4 3

In one room South of the lower House bid two spades, which is not exactly in accord with expert practice, and West bid three spades—a surprising move, to say the least—but North's raise to four spades saved him from disaster.

West led the diamond nine, which was taken by the King, and South cashed the Ace of trumps to learn the bad news. However, despite the cruel trump break, the contract is on ice, because the Queen of clubs is favourably placed. In fact the declarer can make an overtrick. At trick three he leads a club to the King, returns a club, finessing the Knave, and cashes the Ace. When all follow, he cashes King and Queen of trumps, and leads the thirteenth club, discarding a diamond from the table. East can score his Knave at once or later and make a heart trick, but declarer can ruff a diamond on the table, and gather in eleven tricks.

South had other ideas. At the third trick he led the club Knave—a play which could not possibly gain—and went one down.

Late in the day this very interesting hand occurred:

N
♠ K J
♥ K
♦ K 10 8 7 3
♣ Q J 10 8 3

W
♠ 6 5
♥ A Q 10 9 3
♦ A 6 5 4 2
♣ K

E
♠ 9 7 3
♥ J 8 7 5 2
♦ J
♣ 9 6 5 4

S
♠ A Q 10 8 4 2
♥ 6 4
♦ Q 9
♣ A 7 2

East dealt with both sides vulnerable and passed, South opened the bidding with one spade, West overcalled with two hearts, and North said three diamonds. East looked longingly at his five hearts, but passed, South rebid three spades, and North raised to four spades.

West led a trump to the King, which made things awkward for South. Cashing dummy's other trump honour, the declarer led the club Queen and ran it, losing to the King. After making two heart tricks, West cashed the diamond Ace, and seeing his partner drop the Knave, led another diamond for him to ruff, thus defeating the contract by two tricks.

To play the second spade at trick two is pointless. A reasonable line is to lead the three of diamonds, which is covered by Knave, Queen, and Ace. West returns a diamond for his partner to ruff, and now the defence must exercise great care. A trump return gives the contract, and if a club is led, South must play the Ace, intending to cross to dummy's trump Knave. This draws the trumps and allows declarer to discard two club losers on diamonds, but the fall of West's club King solves all problems.

East must return a low heart to the Ace, and West must force dummy with another heart to shut out the diamonds. At this stage South can place West with ten red cards. He knows that even if East has the club King, he cannot take two finesses against him, as West will ruff the second club. He plays the diamond King—West might have started with three trumps—but East ruffs. South over-ruffs, and plays the club Ace, dropping the King, and making ten tricks.

Nordic legends

CHESS

LEONARD BARDEN

Some people still attribute Russian chess ability to the long hours with nothing better to do on Slavonic winter nights. All the hard evidence, however, shows that the game's greatest asset in the USSR is to be financed and treated on a similar basis to outdoor sport. Karpov was twice chosen as Soviet sportsman of the year with no controversy over the selection; thousands of chess masters and experts receive state salaries as trainers and organisers; while time off from work is readily granted for a tournament lasting several weeks.

There is a better argument for relating chess to a cold climate. A World Chess Federation survey in 1979 showed only two countries apart from the USSR where one per cent or more of the population were official members of national chess organisations. The boom nations were Iceland and the Faroe Islands, where visiting experts have reported a calibre of opposition at ordinary club level unparalleled elsewhere in Western Europe.

For every chessplayer who takes the trouble to pay a subscription to a club or enter for tournaments, there are probably ten who play socially, solve newspaper problems, read books, or possess a chess computer. Thus the FIDE statistics confirm Iceland's enthusiasm which reached its peak when Reykjavik hosted the Fischer-Spassky match in 1972.

Chess flourishes in Iceland in unexpected quarters. One evening some years ago it was impossible to find a taxi in the capital. Robert Wade, the British master, was giving an exhibition display against the taxi-drivers, who achieved a very respectable total.

The presence of a strong grandmaster makes a great difference to the atmosphere in a small country. Euwe's world title years were in the mid-thirties but they still keep chess flourishing in Holland, where the support of IBM, Hoogoven and Interpolis Insurance inspired other sponsors. Cuba had Capablanca as world champion and it was in his memory that the Castro government backed a series of internationals in Havana. Iceland, too, has a local hero in Fridrijk Olafsson, who reached the finals of the world title candidates and later became President of FIDE, the world federation.

When Olafsson was at his playing peak, Icelandic fans could watch an annual grandmaster tournament whose centre of interest was always whether Fridrijk could outwit his Russian and U.S. rivals. This week's game is from the 1966 international which he won; and the theme is that two rooks are stronger than a queen as long as the rooks can combine effectively. The queen only outplays rooks when they lack mobility, stay on the back rank, or operate as separate scattered units. A qualification, not shown in this game is that a queen and knight combining in attack are usually better than two rooks and a bishop.

White: E. Kristinsson. Black: F. Olafsson.

King's Indian Defence (Reykjavik 1966).

1 P-Q4,N-KB3; 2 P-QB4,P-KN3; 3 N-QB3,B-N2; 4 P-K4,P-Q3; 5 B-N5,P-KR3; 6 B-R4,O-O; 7 B-K2,P-B4; 8 P-Q5,P-QR3; 9 P-QR4,Q-R4; 10 Q-Q2,QN-Q2; 11 N-B3?

White allows a typical King's Indian tactical strike: correct is 11 R-R3 to keep the rook guarded.

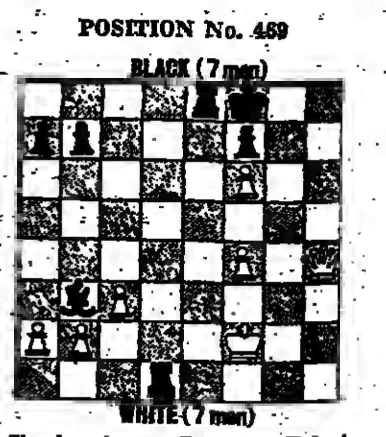
11...P-QN4! 12 BPxP,PxP; 13 BxP,NxKP! 14 NxN,QxB! 15 PxQ,RxR ch; 16 K-K2,RxR; 17 N-B3,R-K1.

White has kept material equality, but his king is fatally exposed to the rampaging rooks.

18 Q-Q3,N-N3; 19 N-Q2,P-K3; 20 Q-K3,B-Q2; 21 K-B3,PxP; 22 Q-B4,R-K4; 23 N-R4,BxP! 24 NxN,P-KN4; 25 Resigns. A neat Olafsson finish. If White saves his queen by 25 Q-N3, then B-K7 mates.

POSITION No. 469

BLACK (7 men)

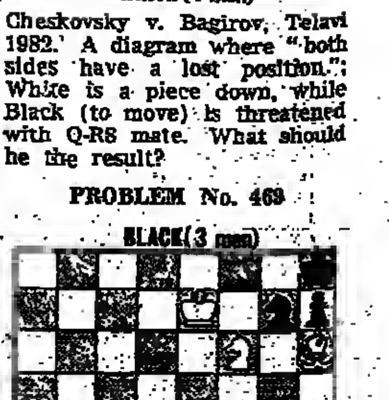


WHITE (7 men)

Cheskovsky v. Bagirov, Telavi 1982. A diagram where "both sides have a lost position": White is a piece down, while Black (to move) is threatened with Q-R8 mate. What should be the result?

PROBLEM No. 469

BLACK (3 men)



WHITE (3 men)

King, knight and bishop hardly ever beat king, knight and pawn—but can White (to move) exploit his opponent's

LEISURE

Arthur Sandles describes the delights of Wessex

Far from the madding crowd

WITHIN a few miles we knew it was a mistake. The towering clouds of an English April built loftily over the Wessex hills and the traffic slowly thickened to the gasping sluggishness of a Bank Holiday evening. So much better to wait for the morning, with the roads free and the air bright. But there were compensations.

There was ample time to look out on that rolling horizon. It was possible, occasionally, to ignore the sounds of Radio One, so avidly sought by the ears of teenage daughters, and even to avoid contemplation of the forthcoming effects of roadworks west of Basingstoke. This was the land of Thomas Hardy; of Tess and her struggle with the Fates; of Casterbridge's barried Mayor; and of 100 other characters overwhelmed by nature and her forces.

In fact I have never seen Hardy in that light. The Fates are grossly over-rated in their powers. In my meagre view Hardy's characters were driven by internal rather than external forces. We do what our habits tell us. We could change, but generally — through over-indulgence, romantic foolishness, sloth or sheer incompetence — we repeat our mistakes. Hardy's characters were puppets of their own inner selves.

But, whatever your view of the Hardy books, what a magnificent backdrop against which to place them. The moody hills, the threatening woodlands, the protective towns, the insular inhabitants. Roman Polanski caught much of it in Tess, but how infuriating that he set it in Brittany where the geography was not quite right and the architecture totally wrong.

Thomas Hardy was born a little over 130 years ago, squawking his way into an early summer world in the Dorset village of Lower Bockhampton, which is a little to the west of Dorchester (the Casterbridge of the novels). It was here that Hardy's views of life and rural Britain were formed. In a few hours the healthy walker can see his birthplace, his school, the house he built (just off what is now the A35) and, at Stinsford, the place where his heart is buried, in the churchyard under a large yew tree. The rest of his remains, cremated after his death in 1928, are in Westminster Abbey.

But it was no particular village or town of Wessex that defined the Hardy theme. It was the countryside around — the still underpopulated rolling fields to the north of Puddletown (the listless summer countryside that served as the ever-pressing backdrop for *Far From the Madding Crowd*). Certainly you can have pleasure identifying the Hardy settings, such as Melstock (Lower Bockhampton), Nether Boynton (Owermoigne) and Budmouth (Weymouth), but the real pleasure is in sharing at least a trace of the atmosphere he absorbed.

"Maxgate," Thomas Hardy's house at Dorchester

A good starting point is, naturally enough, the novels themselves, with *Tess of the d'Urbervilles* and *Far From the Madding Crowd* probably providing the gentlest introduction. After that the Hardy Room at the County Museum in Dorchester is a reasonable physical setting-off point.

Dorchester itself is very much the Casterbridge of the book. A classic English western county town it sits in smug isolation from the rest of the world. Its structures are, by and large, not particularly old, but it still manages to offer an overwhelming atmosphere of age. Dorchester as it is seen today is a mere stripling, but Dorchester the community has been there longer than any book can trace.

Those seeking associations other than the Hardy settings can find them in abundance. Puritan settlers of America originated from this region; the Tolpuddle Martyrs found themselves on trial here; and it was here that Judge Jeffreys held his Bloody Assizes.

With the wildness of the Channel to the South and the hardly more hospitable world of southern Wiltshire and Salisbury Plain to the north this is a land that was, and to a considerable extent still is, very much an introverted area.

If you really do not want to jump in at the deep end, try the approach via Bournemouth, a seaside resort which has managed to avoid much, if not all, of the modern afflictions of our once proud resorts. Or sample the delights of Bath, a remarkably changed city which a decade ago sheered away from its apparent desire for cultural suicide and is now proud of, rather than embarrassed by, its rich past.

From Bath you drive south and ride over those hills which played such a considerable part of the Hardy books into the towns and villages of Hardy country itself. You taste something of the isolation that made his works such a magnet.

After all that the drive back to metropolitan reality is a nasty shock. My own experience of last weekend is typical.

At last we rolled off the motorway, underneath its concrete arches to the old Great West Road, which as it approaches London, is nothing more than a tarmac ditch these days. Some latter day wit had been at work on the supporting buttresses. "Good morning Lemmings," it read in wobbly black aerosol paint. It was late evening, but the message still struck home.

George Orwell slept here

BY OSSIA TRILLING

HOW MANY people flying to the Costa Brava pause at the Barcelona airport building to catch a glimpse of the Picasso and Miró murals? If the object of your visit, on the other hand, is the artistic experience, Catalonia and its capital can offer it in all shapes and sizes.

The Spanish National Tourist Board brochures make no bones about it, even those which are slow to switch Spanish street-names to their Catalan equivalents. Catalonia, with 6m inhabitants, and 12m tourists (1981 figures) is a very special case. 2000-year-old Barcelona, with well over 1m inhabitants (3m when you include the hinterland), is an ancient seat of both government and culture and home of one of Europe's oldest parliaments. During my eight-day visit, I was overwhelmed by the lavishness of its appeals to head and heart. As for the body, that is catered for on the sun-drenched summer beaches and since the peseta has now devalued as much as the pound sterling, expense for the time being at any rate, need be no object.

During my stay I saw a great deal: two operas at the 136-year-old Great Liceo Theatre, Europe's largest opera house, they say, on the tree-lined Ramblas avenue, where taking a daily stroll is a must; the 3rd International Mime Festival, with two British entries, "Dance Tales" and "Theatre Whispers," in the nearby Pollorama Theatre, where once George Orwell had wielded a machine-gun in defence of the Republic; a star-spangled concert in the Catalonian Music Palace, one of the city's architectural wonders; and all too few of her 42 museums. Had time allowed I could have gone to hear Ivor Montagu, another Civil War veteran, reminisce under British Council auspices during the Week of History Films about his early days as a silent film director.

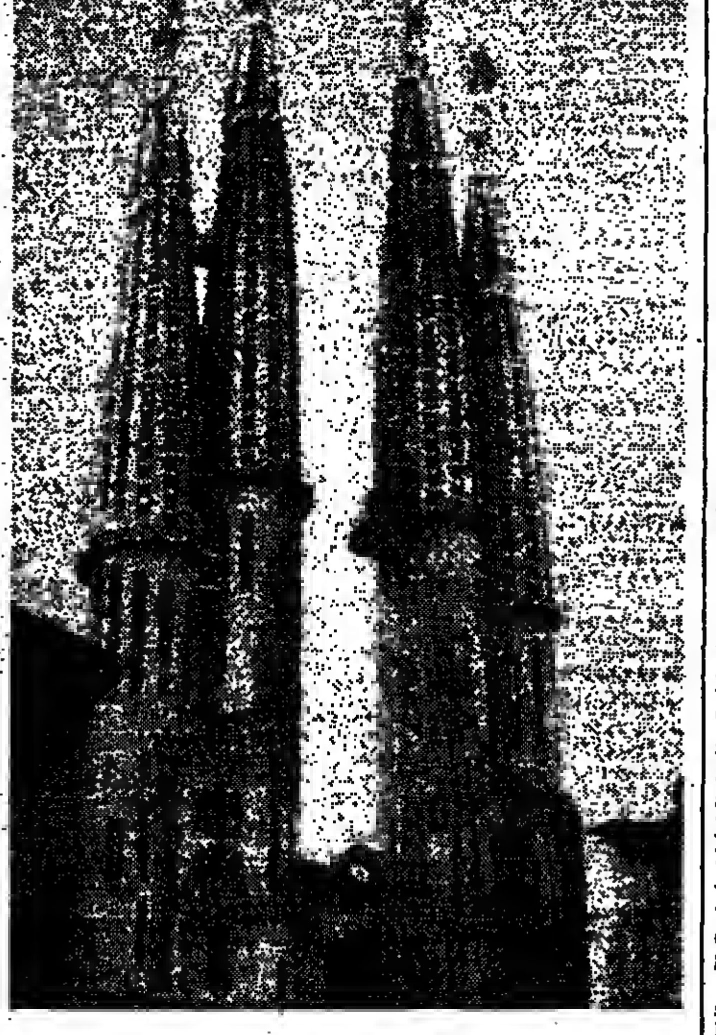
Since Catalonia achieved autonomy for the second time (the first was for a mere three years because Franco came knocking at the gates of the beleagured capital in 1939), the arts have flourished as never before. Take the opera, wholly reorganised since December 1980. Today the government (Generalitat de Catalunya), the municipality (Ajuntament de Barcelona), their 15th-century palaces facing each other across the Plaza de S. Jaume in the agement, the finance and the patronage.

The new Artistic Director is the industrialist and banker Sr Lluis Portabella. Forced to drop his musical tuition at 13 when Franco began to besiege Barcelona, he has remained an aficionado of the musical arts ever since. This year has seen the 25th Jubilee of the Concert Seasons he founded in 1958. In the impressive programme of events, from January to June, four British orchestras and leading conductors loom large.

At the end of the opera season, from November to March, I was glad to catch Rosalind Plowright's Liceo debut as Desdemona, as highly admired by Catalans as by her London fans. It is to be followed by the annual spring and summer festivals. These range this year from the Peking Opera and the Comédie Française (in April) to Verdi and Puccini (in May) and Wagner (in June). For the latter Don Lluis has engaged some of the world's top soloists. His annual budget (of 330m pesetas) for 44 operas and the festivals is far below Covent Garden's, but 50 per cent of his income comes from public funds.

Managed today by a man of the world, with international business interests in dairy products, mineral waters, gramophone records, and banking, business at the Liceo and the Music Palace is booming. Don Lluis's only worry — Spain being an agricultural country — seems to be her future relations with the Common Market. When receiving Sr Jordi Pujol, the Catalonian President, who appointed him, in the intervals of an enchanting production of *La Bohème*, at the Opera House's exclusive club, with its sumptuous restaurant, bars and rooms, their flamboyant Art Nouveau murals, expertly restored after the recent fire, the dapper Don Lluis was visibly delighted at the progress of his new charge.

I cannot imagine a repeat of that historic moment in 1893 when a Catalan irredentist, Santiago Salvador Franch, threw a bomb in the auditorium during a performance of *William Tell*. He was executed by garotting in 1894. Bombs still go off in Spain, but no longer, it seems, in Barcelona. There, nowadays, disputes are settled more amicably. Even the crowds of workless demonstrating outside Government questioned listed their complaints both civilly and expertly, unlike some police when accosted by inquiring journalists nearer home.



Gaudi's Sagrada Familia, Barcelona

Yes, Barcelona is highly civilised, despite extremes of wealth and poverty. Look at its theatres, cinemas, night-clubs, discos, art galleries, five golf-courses and two enormous bull-rings. Above all, look at the architecture. Don't miss the buildings of the visionary Antoni Gaudi (1852-1926), with their curved stone and iron-work. Last year Barcelona celebrated the centenary of the laying of the foundation stone of the fantastic Temple of the Holy Family, a madman's dream that will take at least another 100 years to complete.

The Old City, a virtual museum of architecture in itself, should on no account be missed. Go and see its 12th-century Aguilar Palace, now the Picasso Museum, with over 2,500 Sert's arts centre for the Joan Miró Foundation on Montjuich Hill, a stone's throw from the ancient open-air Greek Theatre, now restored, or the remarkable Romanesque frescoes salved from tumbledown chapels and churches throughout the region and housed in the gradiose Museum of Catalonian Art.

Finally, the more adventurous visitor should make a point of viewing the murals, painted by Sert's uncle Josep-Maria Sert (1874-1945), the husband of Misia Sert, in wartime Paris. These massive sepia and gold canvases line 2,000 square metres of the walls of the 18th-century Cathedral in Vic (65 km NW of Barcelona), where the painter lies buried, a monumental vision of the life of Jesus by a latter-day Michelangelo, brought to Spain in 1945 by courtesy of the Wehrmacht.

● Further information from the Spanish Tourist Board, 57/58

All eyes on a newcomer

The Ford Sierra Estate: rides well, holds a lot and has light controls.

MOTORING

STUART MARSHALL

HAVE YOU NOTICED that the Sierra doesn't turn heads any more and that its curvy lines have begun to seem quite commonplace? It is now Ford's best selling model in Britain after the Escort and could remain so for a long time to come.

But one Sierra variant still rare enough to attract a little attention is the estate car, which I drove for nearly 500 miles last month. It drew admiring glances for both its looks and elegant interior and impressed me favourably with its mix of performance, comfort and carrying capacity.

There are 11 Sierra estates to choose from, ranging from the 1.6 manual at £5,770 to the £9,396 2.3 Chia automatic. My test car was a middle of the road model, the 2.0 GL, with standard four-speed manual gearbox and non-power assisted steering. It is listed at £7,335, which the optional five-speed box and power steering would inflate to £7,865. I don't think either is necessary, unless you expect to do a great deal of fast motorway driving — or spend most of the day in dense traffic.

You would have to do a lot of miles to get your money back on the £157 extra cost of the five-speeder in terms of fuel saved, though the noise reduction at motorway cruising speeds is impossible to put a cash value on. But the four-speed Sierra 2.0 GL is acceptably quiet and mechanically refined anyway at 70-75 mph and easily gives a mid-30s mpg figure on a run. It is quite high geared; good for 50 mph in second, 80 mph in third and around 100mph in top. Fourth is high enough for the engine to start feeling lumpy at just under 30 mph unless you are very gentle with the accelerator.

And the steering is so light, even when parking, that power assistance is hardly necessary. I found the Sierra 2.0 GL exceptionally light handling — embarrassingly so on motorways, when it was easily pushed off course by a gust of wind or the slipstream of a speeding juggernaut lorry.

Ex-Cortina owners will recognise the sound a Sierra makes when the ignition key is turned because the four-cylinder 1.3, 1.6 and 2-litre four-cylinder engines and 2.3 litre V6 have all been carried over to the new car. (A 2.3 litre Peugeot-made diesel is also offered and a 2.8 litre fuel injected V6 is coming in a few weeks in the XR4i.) But within a mile or two the differences are more obvious than the similarities.

The Sierra rides quite softly, is more forgiving on corners and refuses to skip about on surfaces that used to make a Cortina feel quite uncouth. The estate rides well unladen, even better with a few hundred weight of people and things in the back. The added load doesn't reduce the tendency to wander in a crosswind.

The fascia is just like a BMW's: the steeply sloped windscreen with four screen-wash jets attracts a lot of sun heat on a bright day — just like that other slippery estate car, the Audi 100 Avant I wrote about last week. And the Sierra's nicely curved back window doesn't get filthy on a wet motorway. Even so, Ford still provide a rear wipe-wash, which makes reversing easier after you have been parked in the rain.

The cloth trimmed seats would grace an up-market saloon. The front ones have ample adjustment, the rear bench is habitable by full-sized adults and the backrest folds down one-third or two-thirds at a time. Plastic rubbing strips protect the carpeted load floor and the lockable under-fascia glovebox holds a full-sized 35 mm SLR camera with ease. In all, I rate the Sierra a worthy newcomer to the medium-sized estate market.

The XR3i. Ford's answer to the VW Golf GTi. It is fast—but fidgety.

If Ford ever found its sales slipping in Britain, it wouldn't be for any lack of variety in their range. At 109 models (not including the forthcoming XR4i) it is by far the largest any manufacturer offers — larger than, for example, Vauxhall's and Renault's lumped together.

Before trying the Sierra 2.0 GL estate, I drove the Escort XR3i for a similar mileage. This sporty three-door is Ford's answer to the VW Golf GTi. At £6,151 it is nearly 10 per cent cheaper, marginally faster (116 mph is claimed) and slightly more economical but I still consider the GTi is the car to match for refinement, handling and comfort.

If the XR3i were a horse, one would say it had been well corned-up. It is a vigorous beast, well schooled but apt to fidget. This doesn't matter if driving is an end in itself. But Ford appears to have aimed the XR3i, with its very lush interior and central locking, at the business user as much as the affluent boy racer. I was irritated by the XR3i's high level of wind roar on the motorway, the exhaust resonance from under the floor and — like the Sierra — by its reluctance to follow the straight and narrow.

The XR3i's fat 60 series P6 are marvellously grippy even in pouring rain and one can realistically explore its handling limits on the highway. But the car tramlines; the front end dodges from side to side as the Pirellis react to the road surface. Has the XR3i been over-tyred in the interests of making it look more overtly sporty than the Golf GTi, which comes on 70 series rubber as standard?

However, it is a zippy performer. The 1.6-litre engine stays silky up to 5,000 rpm (100 mph in fifth) but roughens a little as the revs climb higher. The gearshift is superb, the steering sharp (if heavy at low speeds and the ride better than I had expected of a fat tyred Escort. The driving position is admirable and the bottom-squeezing seats provide hard-driving security. But why oh why, must the rim of the small steering-wheel obscure a tall driver's view of the speedometer dial from 60 mph onwards?

Reflections on the gladiolus

GARDENING

ARTHUR HELLYER

SOME FLOWERS seem almost too ready to rush into domestication. Directly they fall into the hands of plant breeders they start to hybridise among themselves so freely that they quickly exchange their distinct identities for a new uniformity imposed on them by gardeners. It happened to roses centuries ago and it has been the fate of dahlias since late Victorian times. Tuberous rooted begonias got caught in the trap at about the same time, but chrysanthemums arrived in Europe already highly developed by Far Eastern gardeners, and tulips were also far advanced in domestication when they captured the imagination of 17th-century gardeners. Fortunately with them there has been a welcome return to the wild species in recent years and many are now available, though for most it will be necessary to go to specialist nurseries.

There is no such easy way of getting at the original gladiolus species from which the garden races were bred in the mid-19th century. In fact, though the metamorphosis is so comparatively recent, no one now seems sure which species contributed to it. It is likely, we are told that *Gladiolus carmineus, cardinalis, natalensis, oppositiflorus, primulinus, purpureoauratus* and *sondersii* were used by breeders, but not one of these is now offered in any bulb list I have, and, with the exception of *G. primulinus*, I do not even know what any of them looks like. Yet I would be willing to bet that several of them have a good deal more character than any of their fat garden offspring.

One species that I have grown successfully for years is *Gladiolus tristis*, a name which means sad, though I can see nothing to cry about in these pure yellow sweetly scented, butterfly-like flowers carried in the slenderest of spikes. Its fault, from the British gardener's standpoint, is that it starts to grow in winter, thereby exposing its grassy leaves to our uncertain weather. They will survive a little frost, but not a lot, so this is a corm to plant in sunny sheltered rock gardens, particularly in coastal regions of the south and west where it is quite capable of establishing itself permanently and spreading by self-sown seed.

All those I have mentioned are South African species but the family is by no means confined to that country or even to the African continent. *Gladiolus byzantinus*, as its name proclaims, is a plant of the eastern Mediterranean and is completely hardy in my experience. It flowers in early summer and then makes a great show for several weeks with its uninhibitedly magenta colour, right setting. There are said to be white and rose flowered varieties but I have not seen these. They could be very useful.

There is confusion between the names *Gladiolus colvillei* and *G. nanus* which, at any rate in this country, appear to be used for the same plants. These are not species, as one might expect, but hybrids between *G. cardinalis* and *G. tristis*. They all look remarkably alike in form: slender plants about 18 in high with shapely little flowers often attractively flecked with one colour on another and never in the least overbearing. The Bride is white with just a touch of green, Prince Claus white and red, Spitfire reddish orange flecked with violet and Amanda Mahy similar but lighter in shade. Like *G. tristis* all are winter growing but appear to be hardier and, once established in a sunny place and good porous soil, are probably best left undisturbed to grow on for years until overcrowded. Since only two species have been involved in this cross, the offspring have never strayed far from their parents in character and as a result we have the natural grace of wild flowers allied to the tougher constitution conferred by hybridity.

But, of course, it is the fat corms of the summer flowering garden hybrids that are now filling the shelves in the garden centres. They are easy to grow and immensely showy but since their very mongrel origin makes it impossible to raise them true to type from seed, they must be propagated year after year by offset corms or cormels, the name given to the pea-size corms that form around rather than on top of the old corms. Inevitably prolonged vegetative propagation of this kind carries the danger of a gradual build up of disease, particularly of virus diseases which are not great killers but do gradually weaken constitution and cause unsightly blotching of leaf and flower colour.

Because of this difficulty varieties come and go. Breeders, especially in Holland and America, raise hundreds of new ones every year and precisely which are offered for sale depends a lot on how the harvest goes, so I have ceased to recommend particular varieties. All are good within arbitrary limits placed on them by the conventions of specialists which broadly means that all will have widely opened flowers closely

few days, at its peak, each spike will have fully-open flowers for about half its length, the upper give an attractive tapered finish. Then the bottom flowers commence to fade, the top buds open, and the whole spike will lose its balance and look ragged. Of course the flowers of wild gladioli progress in just the same way, but since they are so much smaller and less formal, one does not notice it so much.

It does make big gladioli more useful for cutting than for garden display since they can be gathered when just commencing to open, be trimmed a little in their vases until this ceases to be acceptable, and then thrown away. Outdoors all this trimming and discarding seems to be much more trouble and is apt to be neglected. There is also the difficulty that the heavy flower spikes really need individual cane suppor[t]. This is true even of the rathe[r] smaller-flowered Butterfly varie[ties], but it is never necessar[y] to support the species.

Now that so many speciali[st] nurseries are springing up, pe[r]haps we shall see more of th[e] wild gladioli in our garden[s]. One that is high on my list fo[r] purchase is *Gladiolus alatus*, [a] little beauty with short spike[s] of scented orange/red flower[s]. I would also like to have one [I] have seen in Tenerife whic[h] looks like a small version [of] *G. byzantinus* and is name[d] *G. segetum*. It invades the corn[-]field in some places and [is] thrown out by the farmers, [so] there should be no difficulty i[n] acquiring stock. One I d[o] already grow, thanks to th[e] generosity of a friend, is [G.] *Papilio* with slender stems th[at] snake about

BOOKS

Aussie find

BY MARGARET DRABBLE

The Fortunes of Richard Mahony
by Heory Handel Richardson. Penguio Books. £4.95. 832 pages

Until recently, Henry Handel Richardson (1870-1946) was one of those out-of-print great writers whose fate it was to be described as "unjustly neglected," an accolade which most living writers would duck to avoid. A pseudonymous Australian woman (ber real name was Ethel) who moved to Europe when young to study music, and who settled finally near Hastings, she may even seem to have contributed deliberately to her own obscurity. But time bas worked in her favour. It is now fashionable to be a woman, fashionable to be Australian. Virago brought out two of her novels, *Maurice Guest* and *The Getting of Wisdom*, in 1981: the latter had reached a wider audience in the form of a fashionable Australian film. Now Penguin have published her most ambitious work, a trilogy entitled *The Fortunes of Richard Mahony*; it appears in ooe fat volume, but appeared originally in three parts, from 1917-29. We can judge for ourselves whether or not it sustains its remote reputation as a masterpiece, ao epic of tragic grandeur.

It opens in Australia in the 1850's, the time of the gold-rushes, with Richard Mahony, Irish-born, Edinburgh-educated doctor working as a storekeeper in a rough mining settlement, where the earth itself kills: a man is buried alive in the first sentence, an indication that Richardson had chosen not to confine berself to seositive, womanly perceptions. She traces Mahooy's career, through courtship and marriage and the (late) birth of children; through the growth of a successful medical practice and the iocreasing respectability of his friends, his relations, and his adopted nation; through the acquisitioo and loss of a fortune derived from speculation ("the national vice," as Mahony describes it); to a finale of poverty, degradation and madness.

At the end of the trilogy, his loyal wife Mary, who had once entertained grandly in government circles (there are some shrewd, double-edged comments on "the extravagant, exaggerated hospitality of colonial life") embarks on a humble career as postmistress to support her young children, as, in real life, did Ethel Richardson's mother. Ethel's counterpart, a musically-gifted boy, is under 10 years old at bis father's death, as was Ethel. So her documentation is not that of an eye-witness; it is an imaginative reconstruction, made by a woman who had left her native land almost 20 years earlier, and who paid it only one brief visit in the rest of her life.

As a portrait, it breathed the duality that these facts suggest. Richardson, like her fictional father (with whom she once said she closely identified herself) both loved and hated the landscapes, the society, the culture of Australia, as no doubt she both loved and hated the memory of her father himself. She presents Mahony as an ambiguous, complex, tormented man, a natural solitary whose "nature had a twist in it that hindered friendship," whose only close friend is, paradoxically, the rough, vulgar, extrovert Purdy, whose appearances and disappearances throughout the trilogy are beautifully spaced to celebrate the passage of time, which is (as in Bennett's *Old Wives' Tale* or *Clayhanger* trilogy) one of her major themes. Mahony's feelings about Australia are complex, fluctuating, violent; at times he is appalled by its rawness:

> His eyes ached, his brows had grown wrinkled from gazing on iron roofs set against the hard blue overhead; on dirty weather boards innoceot of paint . . . on the straggling landscape with its untidy trees—all the unrelieved ugliness, in short, of the colonial scene.

At other times (significantly, at this moment, when he has just had good news about his share prices) he is euphoric:

> It was only a very ordinary late spring day; a pale azure sky, against which the distant hills looked purple: above these a narrow belt of cloud touched, in its curves, to the same hue. But to Mahony it seemed as if such a perfect day had never dawned since he first set foot in Australia. . . .

All this optimism, when the money runs out, ends badly at Barambogie, with its mill whistle, its bare cracked earth, its dead donkey, its pestilent lagoon. A land of opportunity: or a land of blistering heat, insects, melting butter, dysentery, packing-case furniture and disaster. Mahony ends defeated by the land and its ways, like the anonymous corpse in the first sentence. He was a restless soul, craving, ever dissatisfied, and but for the ambitions of his wife a born failure: her judgment on his deathbed is that "he had always asked more of life than it could give."


Henry Handel Richardson: belated comeback

Did Richardson, in this work, aim at more than she could achieve? Many have thought so, and criticised ber for writing in a realistic convention that had died before she adopted it, for attempting to imitate the grand monuments of the past. And the trilogy has its *longeurs* emphasised, alas, by the size of the Penguin print, which is something of a strain to the eyes.

And ber focus blurs too, at times: is Australia her subject, or the solitary Mahony, or the nature of marriage, or the progress of a culture? There is something unresolved in the portrait of both the man and the country: at times one suspects a heroic act of expiation, and understanding of the painful past that proved impossible. But the effort and the achievement are both magnificent. And, unlike many works of this length, it gains in momentum as it progresses; the last volume, possibly because closer to the author's recollection, is most moving of all, and its resolution has, indeed, a tragic grandeur with the land that receives Mahony's body at last forgiven, and seen, at the last, as "rich and kindly."

Cry Wolfe

BY GEOFFREY MOORE

The Purple Decades
by Tom Wolfe. Jonathan Cape. £8.95. 396 pages

No, this is not a new book by the incomparable Tom, hot a selection of his work over the past 16 years — from *The Kandy-Colored Tangerine-Flake Streamline Baby* in 1965 to *From Bauhaus to Our House* in 1981. The only book to be omitted is Wolfe's own account of *The New Journalism* which appeared in 1973.

To relish a typical Wolfe title (*The Electric Kool-Aid Acid Test*; *Radical Chic and Mau-Mauing the Flak Catchers*) is to get a whiff of the arresting style of this rather outré Southern gentleman. For that's just it with Tom: *le style c'est l'homme même*, from the lank but well-groomed hair to the impeccable flash-Harry clothes. And as with the clothes, so with the words: the acute awareness of nuances; the knowledgeability about literature; the Fleming-notation of fashion; the unerring eye for the false and the louche. Wolfe, in fact, is a study in himself: born in Richmond, Virginia, the son of a professor, coming from the Southern squirearchy, taking his PhD in American Studies at Yale in the '50s, and emerging as a journalist for Esquire and other fashionable magazines.

It all started when Esquire sent him to investigate the "custom-car" phenomenon in Las Vegas. This piece combined with others on stock-car racing in North Carolina, and allied matters, became the *Streamline Baby* of 1965, and Wolfe's career as a latter-day scourge of the "booboisie" began. But, of course, there is not only a touch of Mencken in Wolfe, there is a bit of Riesman, too, and perhaps a little of Thurber. Which is not to say that, for all his study of past masters, he is not entirely his own man. What makes his work so fascinating is his ability to enter into the spirit of the very phenomena and individuals he is satirising.

Take, for example, the piece on Leonard Bernstein, which is the "radical chic" part of the book which also includes "mau-mauing the flak catchers." It is not Bernstein but the politics of armchair agitatioo and the silliness of high fashion which end up being satirised. Yet even here there is a feeling, if not of sympathy, at least of understanding. This is the key to Wolfe's success; he is trying for something more than malice.

Whatever Wolfe chooses to deal with, his observations have the accuracy of long study. You would expect him to be right about the South and, of course, he is in his element catching the exact locutions of "Junior Johnson" and the lollygagging ("Great smokin' blue gumballs god almighty dog") good old boys who need him as their hard-charging symbol. But what about "the Pump House gang" — Tom and Pam and John and Artie, the 16-year-old surfers and loafers? Here also he does not put a foot wrong; our antagonism is directed not towards the gang, or old work-a-hubby who is afraid of them, but the social system which tends to such attitudes. The same touch is there when he conducts us on a trip in Ken Kessey's psychedelic bus, or dazzles us with a discourse on "Mid-Atlantic Man."

But what of the future? It is inevitable, giveo the appearance of this selection instead of a new book, that we should try to read between the lines. Is Wolfe's spirit flagging? The last book with the true Wolfe touch was *The Right Stuff*, which, scarily, took us into the world of the astronaut. Here Wolfe, "the new journalist," met Mailer "the novelist as historian," coming from the other direction.

Two years after that, *From Bauhaus to Our House* described the invasion of America by European architects, and the bowing-down by Americans to these sacred symbols. The old skill was there, but with less than total engagement. What the current book does — rather amateurishly edited though it be — is to remind us of the range and power of Wolfe's work over nearly 20 years. There is more, we may be confident, where that came from.


Tom Wolfe: maestro of 1970s

Bogarde concluded

BY RACHEL BILLINGTON

An Orderly Man
by Dirk Bogarde. Chatto & Windus. £8.95. 292 pages

The front cover of this third and final autobiography by Dirk Bogarde is decorated by a photograph of its author retreating into a snowy landscape. The full-length back view in dark overcoat is a far cry from the film star's obligatory glossy close-up. By now this is no surprise. Readers of Mr Bogarde's previous four books, two of which were novels, will know that he is now as committed to writing as he was, occasionally still is, to acting.

However, the jacket photograph expresses most effectively the strengths of his writing—which perhaps are also the strengths of his acting. Here is an exceptionally private man, a shy man, who yet possesses the extraordinary confidence to enter the most public arenas of life. The confidence seems to be produced from a combination of hard work, determination, and an old-fashioned kind of honesty.

There also must he some urge to exposure, although not of the obvious kind. (Perhaps, that kind was satisfied by his long history as "Idol of the Odeons".) At any rate Mr Bogarde himself identifies these two sides of his nature and suggests that the reclusive element is inherited from his father, who was picture editor of The Times and the "actor" side from his mother, a beautiful and emotional woman who gave up an acting career to marry.

Much of this volume is devoted to these very different parents. Mr Bogarde's deep affection for them does not cloud his extremely clear view of their strengths and failings. His excellent ear for dialogue makes them come alive in a way beyond the usual relations-remembered-after-death syndrome. The tragedy of his mother's fundamental frustration at being no more than a wife and mother is simply and movingly told.

A great deal of the first part of the book is concerned with the acquisition and renovation of the house and 400 olive trees be bought in the South of France. This would not seem obvious material for an entertaining read, but against a background of the man-eating world of film, it makes a charming and often hilarious interlude, that is, until the money runs out. Stars in British movies of the 1950s did not make fortunes.

Besides, his last job in Britain was doing a voice over for The Forestry Commission. At the start of the book Mr Bogarde was just finishing the taxing role of Von Aschenbach in *Death in Venice*. Certainly no one could deny him a rest after that. Yet that film pointed the way his career was to go after his pond-dredging and wall-building years.

First, there was *The Night Porter*, directed by Liliana Cavani, then *Providence*, directed by Alain Resnais, and shortly after *Despair*, directed by Fassbinder. All these were controversial, "serious" films made with the highest artistic ambitions. The portraits that emerge of the four extraordinary directors concerned would of their own make the book worth reading.

Mr Bogarde seems to have managed an extremely good professional relationship with them, although perhaps consciously not moving further. They were not easy men and women. Fassbinder gave him trouble by refusing to talk English; Visconti had to be treated like an emperor; and Resnais insisted be rang David Mercer in Israel if he wanted to alter even one word of the script.

However, they all gave him superb opportunities for acting, if not for becoming a world famous star. This was European cinema, scraping for every penny and more or less inimicable to Hollywood. Nor are such directors invariably to be found. Indeed, both Visconti and Fassbinder are now dead.

It was perhaps lucky, therefore, that Mr Bogarde was already starting his second career, writing, during this period. His early attempts were inspired by an American "pen-friend." Identified here only as "Mrs X" she carried on a correspondence with Dirk Bogarde from 1967 to her death in 1972. She not only taught him what to read and how to write but also gave back to him on her death a legacy of five years of his own diary-like writings. These letters form the basis for his autobiography.

Fiction

Sad guru

BY MARTIN SEYMOUR-SMITH

In Search of Love and Beauty
by Ruth Prawer Jhabvala. John Murray. £8.50. 227 pages

The Watcher
by Charles MacLean. Allen Lane. £7.95. 343 pages

The Price of Silence
by Stephen Barley. Hamish Hamilton. £8.95. 270 pages

In Search of Love and Beauty is Ruth Prawer Jhabvala's first novel for eight years. In the year that she published *Heat and Dust* (1975), she left India for New York, and it has taken her this time to feel able to cope with America. But cope with it she does: the result has been worth waiting for.

In her novels of Indian life Ruth Prawer Jhabvala dealt ruthlessly with, among other things, both swamis and their European followers. She also (as notably in *Heat and Dust*) skilfully used techniques of time-shift. This new novel, too, weaves back and forth in time—effortlessly—and, too, it deals with spiritual pretentiousness. But this time the pretentiousness is Jewish-American: Leo Kellerman, and his Academy of Potential Development.

In Search of Love and Beauty is about an America colonised (or so it seems) by Europeans; but truly it is a study in fraud and self-delusion, and that it is comic should not blind the reader to its tragedy. All the characters are lost souls; most of them know but have not the sense to act upon their knowledge. Leo—who at one point offers someone a "free analysis," and calls those who pay him "idiots"—despises himself, and is seen to advance himself by simple exploitation of susceptibilities which are in fact important (since they are religious) but which he trivialises because he is too lazy, like his victims, to work at living. In the end he himself becomes victim, like a pathetic schoolboy: he has learned nothing at all.

One might not be interested in this description of collective emptiness if the novel were not so well written, if the characters were not so well delineated — if the whole were not so sad. By stretching the ridiculous and tattered histories of her characters over three generations, the author has succeeded in giving depth to her satire: for no life is truly absurd, even if it appears to be. By demonstrating her awareness of this, Ruth Prawer Jhabvala humanises the cruel picture she draws.

It is to Ruth Prawer Jhabvala's credit that, having exposed Leo's absurdities and emptiness, she should cause us to feel sorry for him — for this is what we should do. A substantial and utterly readable novel; no more intelligent one, we may be sure, will be seen this year.

Charles MacLean's *The Watcher* is a horror-shocker cast in the disguise of a mental breakdown. Martin Gregory, a computer salesman, comes home and commits an atrocity: why? It would be unfair to give the plot away, since this is a good story, though hardly a literary one — I think we shall see it as a movie or TV movie. Essentially it is a variation on a now popular theme: demonic possession. As a thriller, it is excellent.

Stephen Barley's *The Price of Silence* has been developed as a novel and as a nine-part radio serial to be transmitted by Radio 4 (and in America). Written with almost frenetic economy, it is a fast-moving tale of espionage and love, wholly unconvincing, readable, unpretentious.

Royal lady

BY GAY FIRTH

The Memoirs of Princess Alice, Duchess of Gloucester
Collins, £10.95. 208 pages

Memoirs, by definition, are deceptive: print-outs from the selective store of experience and response programmed at random into the capricious computer called human memory. By definition, "Royal" memoirs must needs suffer two additional constraints upon self-exposure: a degree of public curiosity paralysing to contemplate; and a degree of good manners practised to self-protecting perfection in the line of duty.

Third daughter of the 7th Duke of Buccleuch's eight children, born in 1901, Princess Alice is a Scot as well as a Scott. It shows. Persuaded by her nieces to set down stories of the days of her youth, and by her editor, John Sebastian McEwen, to include her public and private lives as a Royal duchess, she cannily employs both the general and her particular constraints to pleasingly graceful effect. Seldom can a memoir have contained so much amusing anecdote, so little opinion, and such careful control of the uncontrollable impulses of heart upon memory.

Like another Alice, she passed from one side of the looking glass to the other. Her book falls neatly into two halves — with a faint clang, like a well-oiled portcullis coming down. Before she married Prince Henry, third son of George V, "my life, as that of my friends, was principally devoted to pleasure, but in doing so we meant and, I think, did no harm to anybody." Childhood, girlhood, hunts, shoots, and "dreadful deb dances" gleam innocently through the portals of well-served stately homes: a head-keeper who is an expert on the Stock Exchange; governesses gone through "at a tremendous rate"; special trains for family, servants, and eight tons of luggage "like a circus on the move"; treasured visits — and even more treasured independence — in Kenya.

In August 1935 her father received a letter from the King. "I trust you have given your consent. Our families have known each other for many generations now, and it gives me great pleasure to think that they will be more closely connected still." On marriage — "given no advice by anyone" about her official status and duties — she accepted that "I was a servant of the Country. The task has indeed proved more arduous than I thought it would be then."

But it reads gently, with only a few indications — released, with royal tact, via descriptions of frightful weather during her travels — of just how arduous such a life can and must be. "In the face of a crowd you are helpless, so it is no use bothering." She married at 34, "so I had had a very good innings": the most touching sentence in a book whose most touching — and typical — anecdote is about lugging a polythene bag full of heather to the Malayan jungle, where the King's Own Scottish Borderers — "my" Regiment — were stationed, in 1957. "They were thrilled — heather bloomed in the jungle." "A guard of honour of headhunters attached to the Regiment were "very surprised to find that the Colonel-in-Chief was a small female in a silk frock."

Portmeirion connexion

BY NICOLA BEAUMAN

All Stracheys Are Cousins
by Amabel Williams-Ellis. Weidenfeld & Nicolson. £11.95, 203 pages

There are still a good many books to be written about those great intellectual families of England that intermarried and interchanged during the late nineteenth and early twentieth centuries: the Darwins, Huxleys, Stephens, Potters and so on, with walk-on support provided

one about the Stracheys; anyone hoping for more detail about that large house in Lancaster Gate or the characteristic Strachey squeak is in for a disappointment. Instead we have a straightforward, rather pedestrian autobiography written by a writer, socialist and wife to Clough Williams-Ellis, the architect.

It is in a way absorbing to read another account of that unabashed juggling of nannies, left-wing idealism and

biographies such as those of Dora Russell and Naomi Mitchison; the kind of existence which then visualised no education other than the extremes of Bertrand Russell or Eton, which deemed a visit to Russia essential and which moved gracefully from country house to town.

Occasionally the reader has the feeling that he has been here far too often before, as in the muffin man/nursery tea details about the conventional Kensington upbringing. But there are

tion for her father's inveterate love of quoting. "I did wonder sometimes myself why he didn't make up what he wanted to say but I gradually learned better. He, like every writer, wanted the right word."

Perhaps mistakenly, Amabel Williams-Ellis has chosen to include very few details about her husband Clough, the architect of Portmeirion, in deference it appears to the two biographies of him that are at the moment in preparation

HOW TO SPEND IT

by Lucia van der Post

New ways of doing the pools

NOT even a frosty Easter seems able to dampen the enthusiasm of the English for their gardens and life out of doors. Round about now we all begin to realise that summer may soon be here and those who are wondering whether this is the year when they might take the plunge and invest in a swimming pool might like to know about the new Zodiac inflatable pool.

Its chief advantages, it seems to me, are that if you have a small garden, don't want to have to choose between having, say a lawn or a pool, if you can't face all the excavations and digging that a permanent pool involve, then the Zodiac will allow you to keep your options open.

Zodiac is a name already well-known in the inflatable business—its boats have been tried and tested in all sorts of conditions and are much used by rescue services, the oil business, in military circles as well as by those just having fun. The move into inflatable swimming pools seemed a natural step.

The company has used the same expertise, the same very strong materials, to provide something that hasn't been done before—an inflatable pool with dimensions generous enough to allow adults to use it in much the same way as they would a conventional permanent pool.

As you can see from the photograph the Zodiac rests simply on top of whatever surface is available to place it on. It arrives packed as flat as it can go (this obviously varies depending upon which size of pool you've bought) and it can then be put together with very little effort.

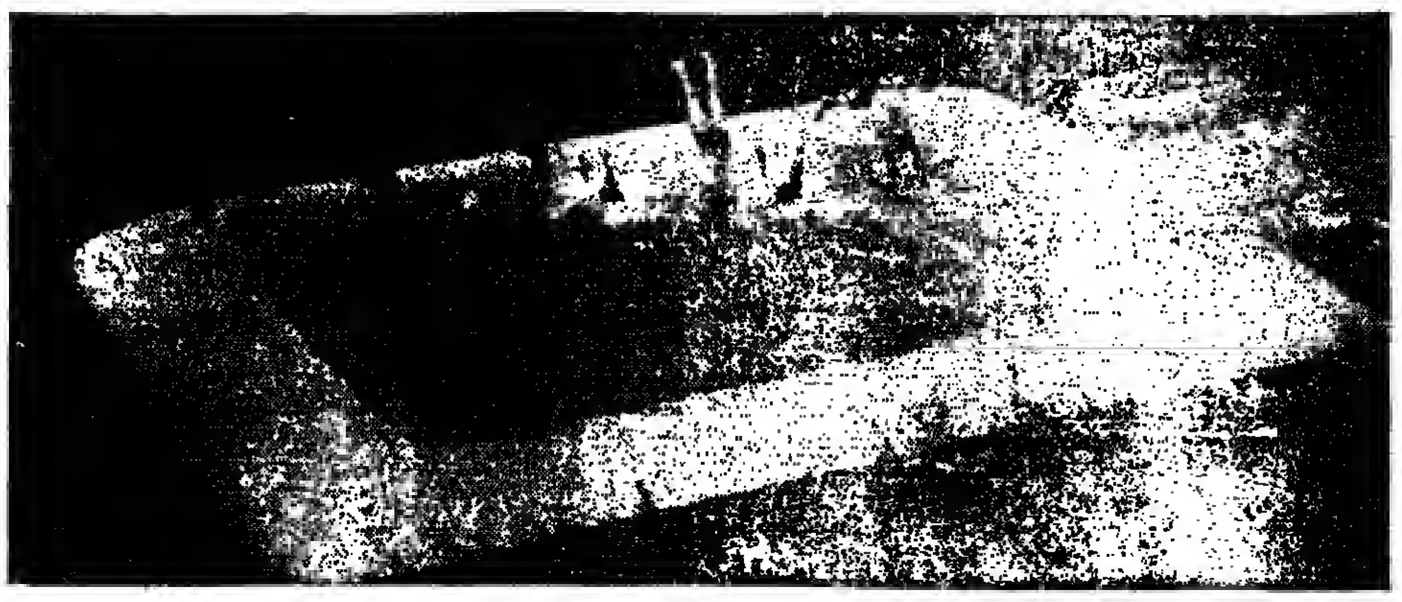
There are five different models—two are designed as children's pools and there are three models described as "family pools." The largest, which has an inner (that is pool) length of 31 ft 2 ins and an inner width of 16 ft 4 ins, is £4,778. Like all the other models it comes with a complete pack of accessories—a ladder for climbing in and out of the pool, a filter system, an electric inflater (you will need to allow about 48 hours to erect the pool from scratch—that is, to allow for the electric pump to inflate the pool and for the tubes and the pool itself to be filled with water), vacuum cleaner, net, carrying bag and so on.

The middle size of pool, which has an inner length of 24 ft 7 ins and width of 13 ft 2 ins is considerably cheaper at £2,846. The main disadvantage of the Zodiac pools seems to me their depth—the biggest one is just 4 ft 3 ins deep and though this is obviously enough for splashing about and for swimming it isn't enough for diving.

When winter comes, or if you need that patch of garden for something else in the summer, you can empty the pool (it comes with equipment to help do this) and fold it up and put it away for next time.

To give you some idea of weights and sizes, the largest pool of all, the Hippo 60 folds up into a package that measures 6 ft 6 ins by 2 ft 9 ins by 2 ft 1 ins and it weighs 4.85 lb.

Anybody interested in the Zodiac range should write to headquarters at 15 Scotia Close, Brackmills, Northampton for further details and for lists of garden centres that sell them.



Zodiac's middle size family pool, the Hippo 35

More pool news

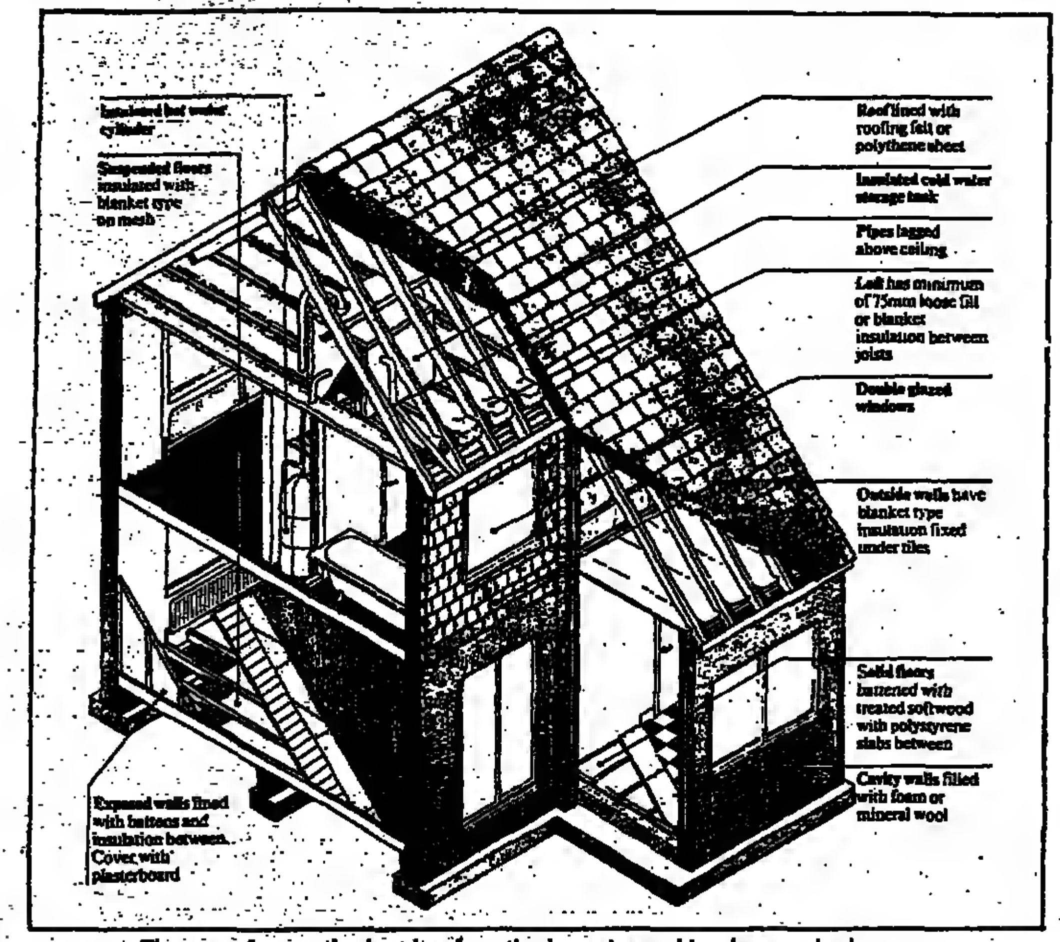
If you already have a pool what you may oeed is some way of dealing with the flying insects and small bugs that swimming pools seem to attract.

Unipools is a company that specialises in all the complicated accoutrements and accessories that pools seem to require. From the U.S. they have brought over a device which they call the Emerson Electronic Bug Killer. It is a device so simple and apparently so effective that some 3m were sold in the U.S. last year. The bug killer consists of a light that looks rather like a coachlight which you simply hang up to 50 ft from the patio or pool. It needs to be near an electric point as it must be plugged in but from then on it is totally trouble-free. It works, Unipools tells me, by using an ultra violet light to attract flying insects to its centre where the electric grid kills them on contact.

There is an outer grid which prevents animals or small fingers from coming into contact with the charged inner grids. It isn't cheap—there are two models, one which costs £86.19 and is said to cope with half an acre's worth of flying insects, while the larger design is £140.30 and will leave you with up to an acre of trouble free ground.

Both models come with a wall bracket but anybody wanting a fancier version can order a mounting pole, a lantern post and an automatic switch (comes on at sunset and goes off at sunrise) as well.

Unipools will post the device—write to Unipools, 621 Watford Way, Mill Hill, Londoo NW7 3JN.



The ways of preventing heat loss from the house have seldom been made clearer.

Do-it-yourself made simple

EASTER SEEMS to be the magic marker that the big do-it-yourself companies look forward to eagerly each year. Then, so goes the commercial mythology, the closet do-it-yourself addicts come out, dust down their overalls, bring out their paint brushes, their drills and step-ladders and venture out into the big conglomerates (or even the corner hardware store) to set the tills clanging as they buy their paints, their glues, their tools.

Anybody who avoids anything that smacks of do-it-yourself as resolutely as I do might have difficulty in believing that the rest of the world finds its so absorbing—if it weren't for the figures. They are incontrovertible. The biggest retail boom of the last decade has been in the field of do-it-yourself. So profitable has it been to sell the wherewithal to polish up the home that the new specialist do-it-yourself chains have been expanding at a breath-taking rate. So good is business that over Easter stores like Homebase (Sainsbury's venture into the market) and Texas Homecare reckoned it was well worth their while to stay open all four days of the holiday.

Hand in hand with the proliferation of do-it-yourself shops and supermarket chains has come a growth in the amount of literature available. Most pleasing of all has been the notable rise not just in the quantity of the books but in the quality. Whereas once upon a time the implication was that if you went in for painting your own house and making your own kitchen cabinets you must have down-market taste to match, nowadays it is at last acknowledged that more people might take to doing-it-themselves if lovelier examples of end-results were laid before them.

Anybody who has doubted that a guide could be both practical and aesthetically pleasing should take a look at the Good Housekeeping Book of Home Improvements, just published in paperback by Ebury Press at £6.95.

Whether you want to do something as radical as re-wiring the whole house, updating the plumbing or building your own new kitchen, or whether you just want to know how to repair a window frame or put up a curtain rail, the book will show you how.

The book is copiously illustrated which, for anybody who has as little natural instinct for the work as I, is a *must*. *Those who are old* hands at all this sort of thing may scoff a little at being shown, in carefully drawn detail, exactly how to knock a nail into a floor but this kind of basic approach is exactly what the duffers like me are looking for.

The real enthusiast need not feel there is nothing in it for him or her for not only are the techniques carefully explained but the book is full of ideas for improving almost every corner of the house. Whether it be just making cushions to perk up the colour-scheme of a tired-looking room or making a frame for a print you've never got around to hanging, the book will illustrate how in graphic detail.

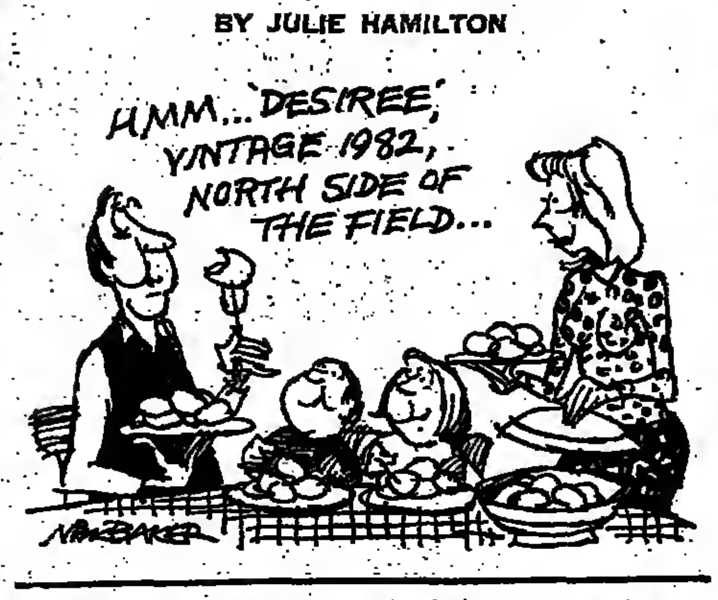
Of all the rather large jobs that need to be done around the house, insulation must be one of the simplest to carry out (apart from cavity wall insulation) as well as being one that can make the most dramatic difference to one's comfort, not to mention to the fuel bills. Anybody who feels that this is a project they might consider tackling can see from the illustration, left, the kind of detailed visual material that the books go in for. All the various forms of insulation are discussed as well as the options for each particular area.

A look at the contents list gives a good idea of the range that is covered — Planning Your Home is the opening chapter and then it moves on to Interior Design, Decorative Finishes, Tools and Techniques, Cooking and Eating Areas, Leisure Areas, Bedrooms, Bathrooms, Children's Rooms, Storage, Work Areas and finishes off with One-Room Living.

Now that needs must and many of us who have spent a lifetime avoiding the merest contact with hammer or paint are having to think again, this is just the book we need. *The projects* all look interesting enough, the end results look desirable enough and the instructions clear enough at least to set me thinking that maybe one day even I might make friends with a rawlplug. Napoleon, were he living today could well be calling us a nation of do-it-yourselfers.

The rise and rise of the humble spud

BY JULIE HAMILTON



WITH A tickle of spring about, I am delighted to learn that I may eat potatoes and still lose weight in readiness for bikini days to come.

In fact, according to many of today's dieticians, the potato could be regarded as the slimmer's best friend. It provides bulk, vitamin B and C and the much-in-vogue fibre, so long as you eat it without any fat and still in its skin.

Best of all, I believe it to be the one vegetable that never becomes a bore. Try eating cabbage or lettuce or swedes daily and they soon pall, but most of us enjoy a potato cooked one way or another almost every day.

It is as well to remember that vitamin C is easily destroyed; therefore take care not to cook your potatoes in a copper pan, not to re-heat them or keep them hot for a long time. If you are boiling them, first boil the water vigorously and then add the potatoes, always completely covering them with the water.

Baked potato bars, stalls and restaurants are proliferating all the time. What a wonderful idea they are. They make marvellously easy nourishing snacks. The other day, while fighting my way round one of those crowded international exhibitions, I fed my flagging energy with a baked spud stuffed with cottage cheese (only 200 calories!) and felt quite satisfied and revitalised. The scope with jacket potatoes is enormous.

There are two basic methods. You can cook the potato fully, have your stuffing ready, hot if needs be, and simply cut open the cooked potato and spread the stuffing in it just before serving. Or you can very nearly cook the potato, or even parboil it if it is more convenient, cut it open, scoop out some of the insides, mix it with the chosen stuffing, replace it and finish the cooking in a hot oven.

Potatoes treated this way are excellent for a light lunch or a supper dish, and all you need to add is a salad. You can also fall back on old favourites.

BAKED POTATO WITH KIDNEY

1 kidney and 1 large potato per person; 1 oz butter per potato; ½ tablespoon milk per potato; salt and pepper.

Scrub and prick the potatoes, rub them all over with oil and salt and bake at gas mark 4 (350F), for 1½ hours. Carefully skin and remove the core from the kidneys, keeping them whole. Season them.

Cut a lid from the long side of each three-quarter cooked potato and gently scrape out the pulp. Make sure you do not damage the skin. Mix the milk it well (Bart's Jamaican pepper is wonderful in this dish).

Half fill each potato shell, then put the kidney in and cover it with the remaining pulp, making it mound up a little. Then replace the lid. Bake again for 30 minutes. Before serving, put the remaining butter under each lid.

BAKED POTATO AND CHICKEN LIVER

1 large potato and 1 chicken liver per person; ½ oz butter per person; a generous amount of fresh sage; 1 teaspoon each of cream and brandy per potato; salt and pepper.

Almost completely bake the potatoes. Chop the liver not too finely and santé it in butter. Finely chop the sage and add it, season well with salt and pepper.

Cut a lid in each potato and scoop out three-quarters of the pulp and mash it with the cream. Fold in the lightly cooked liver and add the brandy at the same time. Stuff the potato shells with this mixture, replace the lids and bake in a fairly hot oven for about 15 minutes.

SEAFOOD BAKED POTATO

4 shelled cooked prawns; 4 cooked mussels (out of potato; 1 pinch dillweed per potato; 1 small chopped mushroom per potato; 1 teaspoon Parmesan per potato; 1 scant teaspoon paprika per potato; 1 scant teaspoon butter per potato.

Completely bake the potatoes. Melt the butter and add the paprika. Very gently fry the prawns, mussels and mushrooms, more to heat them through than to cook. Halve the potatoes and scoop out the insides and mash them. Add the sour cream, dillweed and anchovy to the prawns and mussels before combining with the mashed potato. Season well. Pile back into potato skins, sprinkle Parmesan on the top and heat through, either in e very hot oven or under the grill. Be careful not to overcook or the prawns will go hard.

Should you have some left-over roast lamb or beef and be contemplating shepherd's or cottage pie, why not make individual ones in the skins of large baked potatoes, using the mashed pulp to cover the meat? That way the very best part of the potato is not wasted.

As a vegetable dish to accompany game or a roast, you can take a baked potato, halve it and combine the scooped out pulp with herbs, sour cream and finely chopped celery. Season, replace and grill before serving. This is quite handy for entertaining as it can be pre-prepared and grilled at the last minute. This could be done with peppers or spring onions or mushrooms and chives

PAN HAGGERTY
Serves four

Have you ever heard of or eaten Pan Haggerty? The chances are that if you come from Newcastle or elsewhere in the north-east you could teach me an even better way of making it. For those who do not know, here is a very good recipe.

1 lb potatoes; 2 oz good beef dripping; ½ lb finely chopped onions; 4 oz grated cheese strong Cheddar is best; salt and black pepper.

Peel and grate the potatoes. Put them in a colander and wash under the cold top. Tip into a clean tea towel and squeeze out as much liquid as possible. Melt half the dripping in e large frying pan and gently fry the onions until transparent, remove them from the pan.

Put a little of the remaining dripping in the frying pan and cover the whole pan with half the potatoes, spreading them evenly. Then tip the onions on top and do likewise. Season well and sprinkle on the cheese before covering with the rest of the potatoes.

The bottom should brown but not burn. Cover the frying pan with a flat dish or plate. Invert it quickly so as to turn out the half-cooked potato. Melt the remaining dripping and carefully slide the potato cake back into the pan to cook and brown the other side for about 10 to 15 minutes. To serve, slide the Pan Haggerty onto a warm, flat dish and at once cut like a cake.

POTATO LETCHO
Serves six

The Hungarians have always hed a way with potatoes (all vegetables, come to that). So here is an excellent sample that eliminates the need for any other accompanying vegetable. It would complement almost any meat, but especially chicken, either hot or cold.

1½ lb potatoes; 1 large onion; ½ lb green peppers; ½ lb tomatoes; 2 oz lard or bacon dripping; 1 tablespoon sweet paprika; 1 teaspoon salt.

If the skins of the potatoes are good and not too thick, do not peel but simply scrub well and cube them. Finely chop the onions and lightly fry them in the lard in a heavy-based saucepan until transparent. Pull the pan off the heat and add the paprika and potatoes. Stir well, add the salt and about half a teacup of water. Cover and simmer for 20 minutes. Skin the tomatoes and slice them. Slice the green peppers into rounds, having removed the core and pips.

Add both to the potatoes, cover and cook for a further 15 to 20 minutes. Very simple and delicious. For a complete supper dish, add chopped ham

ARTS

Michael Coveney reports a double celebration in Coventry

West Side Story

It is 25 years since *West Side Story* burst upon the London theatre, and the Belgrade Theatre in Coventry is currently presenting a workman-like revival to celebrate its own silver anniversary.

The Belgrade was the first civic theatre to be built in England after the war and is so named because of a large donation of Yugoslav timber which the city fathers, in their wisdom, pressed into cultural service. The theatre was thus a symbol of the peace effort, and a dove featured heavily in all the early publicity material.

In the wake of the appalling damage inflicted on Coventry by wartime bombing, a new theatre would be a tangible expression of optimism and good deeds. The entire cost was met by the municipal authority, the first time this had happened in Britain, and totalled, in 1958, £220,000.

Since then, the City of Coventry Council has given the Belgrade exemplary local authority support. For the year 1982-83, its contribution was £335,700 plus further guarantees and allowances on the sites. The Arts Council, for the same period, has allocated £177,000.

The irony here is that the Arts Council is always badgering local authorities to match its own grants to clients; senior staff at the Belgrade regard their operation as one of the top half dozen in the regions and would like the Arts Council to match local generosity.

The big push in the nation's regional theatre building programme did not get under way until the early 1960s, so it is not unreasonable for the Belgrade to complain that they missed the Arts Council boat. In that sense they are certainly the poor relations of such other Midlands competitors as the Birmingham Rep, the Nottingham Playhouse and the Leicester Haymarket.

But the Belgrade can claim a record at least as impressive as four of those more glamorous houses. Between 1958 and 1961 Granley premiered four major plays by Arnold Wesker, the famous trilogy and The Kitchen. In the subsequent decade, the current RSC director Trevor Nunn and two of its most distinguished actors, Alan Howard and Ian McKellen, all cut their professional teeth on the Belgrade stage.

The youth theatre policy has been one of the most innovative in the country and the recent fruits of its lively studio theatre, The Venue, include the career launch of one of our most talented young directors, Michael Boyd (now based at the Sheffield Crucible and currently represented in London with *Commedia*.

Robert Hamlin has been artistic director at the Belgrade since 1980 and, in the intervening period, has wiped out an accumulated deficit of £60,000.

There have been decent adaptations of *Lady Chatterley's Lover* and *Cider With Rosie* and the new season will include a new stage version of *Far From the Madding Crowd*. As a metropolitan critic, one is more likely to be attracted by original new plays, and perhaps now that economic stability is approaching, the Belgrade could be tempted to pick up where the Nottingham Playhouse left off several years ago.

Mr Hamlin's production of *West Side Story* certainly succeeds in putting you in touch with a masterpiece, but is sadly unremarkable in execution. Not much steam rises from a reduced pit of eight players, the choreography is a sad and dying echo of Jerome Robbins's original work, the lighting is hesitant and indefinite, the Jets and the Sharks two rather anodyne bunches.

Simon Green's Tony, the West Side Romeo, pre-dated James Dean by about two decades: Mr Green is simply too nice and clean-cut for the role, though he phrases well and keeps a good musical line, notably in "Somewhere." Jan Hartley's Maria has a good light operatic voice, but not much emotional density.

The company is an impressive ethnic mix, and the central theme of romantic love crushed in the racist rumble is never likely to lose its power. "Gee, Officer Krupke" has one of Sondheim's most brilliant lyrics, a devastating swipe at "social pressures" argument in defence of hooliganism. Contemporary Coventry has a new set of social problems that might have been more brightly reflected in staging, costumes and casting. Still, I daresay most of the packed audience will be back for more in the coming months.

A portrait of Clem Attlee at the Serpentine exhibition

Gowing—artist manqué

BY WILLIAM PACKER

To have manifest talent, in Art as in Life, is one thing, to sustain and transform it into real achievement quite another. Our art schools have always been full of the precociously and conspicuously gifted; and the mistake we make perhaps charmed as we are by all the promise of youth, is to fix our expectations accordingly and thus too high, counting anything less the most dreadful letdown. But the temptation remains nevertheless, and understandable enough. No one could say with any degree of fairness that Sir Lawrence Gowing for example, professor of fine art at the Slade these eight years past to complete a most distinguished teaching career, critical scholar and historian of painting that he is, eminent and valued public servant in our fine art world, has had a wasted, fruitless, disappointing life. And yet there is a sense even so, a kind of haunting regret, that hits the visitor to his current exhibition (at the Serpentine until April 24, then to Newcastle, Hull and Plymouth) and he might even share himself, for the artist who somehow got away.

It is not that Gowing has not gone on painting to this day—indeed he throws himself quite literally and with ever greater increasing vigour into his work: but conspicuous activity is not the point. Painting is nothing if not in great part intelligent enquiry, but where the intelligence shades into the intellectual the artist will often find himself in trouble. Gowing,

> 'Gowing the painter has been a victim of his intellect'

the painter, it would appear, has been a victim of his intellect (no rare condition) for some three decades now, producing work that is not so much his own instinctively as the kind of work he might think is the sort he ought to be producing: contrived, clever, theoretical, schematic, arch. Landscape and figure alike are reduced by formal process, and there is an air of desperation about it all.

It was not, even now it is not, always so, and in small landscape studies here and there, up and over the hill and through the trees, we catch the pulse of the direct and true response to that physical visual experience of the world. And for a period in the forties and early fifties, between his tasteful Euston Road juvenilia and the onset of self-consciousness, we catch a glimpse of what might have been a substantial artist at work, the figures vigorously drawn and as vigorously painted, neither constricted by over-punctilious method nor loosely indulgent, the landscape visited, felt and recreated in careful, honest and idiosyncratic terms. Cleverness breaks out from time to time, especially so in the commissioned portraits, but it is a cleverness then at ease with its situation and function, perfectly acceptable and even admirable. Gowing has painted some fine pictures in his time, and they should not be overlooked in the general mass. And if his life has distracted him somewhat from his easel, he is by no means alone in that.

Inflating an arts crisis

It has recently been argued that the arts should not be subjected to costly and lengthy research studies. The findings tend to gather dust, not least because there is neither the cash nor the management skills to act on any advice. Better, suggested the article in The Guardian, to give arts companies the money spent on the research.

The Arts Council may be inclined to agree with this view after taking acceptance of "Inflation and the Performed Arts," a detailed survey by Professor Alan Peacock and Mr Eddie Shoesmith of the University College at Buckingham. The report, which took three years between commission and publication, investigates whether inflation in the performed arts is higher than in the economy as a whole and concludes, in disagreement with received wisdom, that in the 1970's at least there was very little difference between them.

The weight of statistical data is impressive, daunting, and, to some extent, conflicting, but the two economists have produced a table which shows that the annual rate of inflation between 1970-71 and 1981-82 in the performed arts was 15 per cent while the Retail Price Index was up 14½ per cent and the Index of Average Earnings higher by 15½ per cent annually in the same period. If you concentrated on the later 1970s and up to 1980-81 the performed arts showed a fractionally higher rate of inflation than the economy generally.

But there was some grist for the Arts Council's propaganda mill in the more detailed findings, which reveal that arts organisations had held back the effect of inflation by restraining the earnings of their artistic staff. As the report comments "there is ample evidence of cases where the earnings components of our indices, for rank and file performers in the companies, have failed to keep up with the Index of Average Earnings and in some cases with the Retail Price Index." In particular musicians in some of the London orchestras, and in particular, the City of Birmingham Symphony Orchestra, seem to have ended the decade poorer than they started it.

It is the higher non-salary costs which have caused most problems to arts bodies, and with little flexibility in meeting such extra bills by raising productivity, even bigger problems for the arts may lie in the future. The report suggests that changing economic circumstances in the 1980s, in particular a lack of growth in the economy, will exacerbate the financial pressure on arts organisations. There are already signs that some companies are encountering increasing resistance to higher ticket prices.

A table shows that, with 1974 as a 100 base line, theatre prices increased to 294 by 1980 and opera to 278 as against a rise in the Retail Price Index to 244. In comparison, the price of a colour TV set only advanced to 128 in the same period making a night at home that much more economically attractive. With likely future resistance to raising revenue by raising prices, arts companies seem destined to look towards subsidy for an even higher proportion of their income.

The Arts Council hopes to maintain the indices prepared by the Report, which suggests overall that recession has taken over from inflation as the main challenge to arts organisations. Professor Peacock was, however, impressed by the improvements made by arts administrators in coping with a tougher economic climate. Marketing has improved greatly and more attention is being paid to preparing statistics to argue the case for the arts with potential sponsors and local and national funders.

This report will form the basis of a more accurate assessment of the needs of the arts. Perhaps its main attraction is its tables, including detailed information about the costs of institutions ranging from the Royal Opera House to the Hampstead Theatre. It is interesting to note that guest artists' fees at Covent Garden between 1976-77 and 1980-81 only rose by 40 per cent while the Retail Price Index was 66 per cent higher, suggesting that the worlds leading opera houses had some, if brief, success in holding out against the spiralling fees demanded by the Pavarotti's of the business.

ANTONY THORNCROFT

Brahms for believers

When Klaus Tennstedt becomes principal conductor of the London Philharmonic in September it will be fascinating to follow the ways in which he explores the repertory. He has built his reputation in London very much, though not exclusively, on his interpretations of Bruckner and Mahler, and while one can extrapolate his qualities there into other areas, it will be satisfying to have hopes confirmed. His Brahms in Thursday night's Festival Hall concert with the LPO was new to me: the *Tragic Overture*, third symphony and first piano concerto made a fearsome, minor-key menu that Brahmsians would have adored, but which was enough to make any non-believers quail.

Tennstedt's view of the overture was predictably taut and intensely dramatic. The march that takes up much of the development was eerie, bereft of warmth, the climaxes in exposition and recapitulation superbly managed, the LPO producing its finest playing for a conductor it clearly admires greatly. Similar intensity characterised the outer movements of the F minor symphony, but the smaller-scale Andante and Poco allegretto were less composed as if the conductor found their lack of pretension uninteresting and was eager to move on.

The partnership between Tennstedt and Radu Lupu in the D minor concerto showed unusual empathy. Lupu emphasised massiveness in the first movement, with formidable reserves of power; the double octaves that begin the development were savagely struck. There was no attempt to gild

The partnership between Tennstedt and Radu Lupu in the D minor concerto showed unusual empathy. Lupu emphasised massiveness in the first movement, with formidable reserves of power; the double octaves that begin the development were savagely struck. There was no attempt to gild the poetic moments with extraneously beautiful tone; even in the slow movement Lupu restrained his phrasing to the strictly functional, though his pacing and tonal control were always acutely intelligent. Only the finale allowed sheer athleticism its head: the contrast between the 2/4 time of this movement, and the heavier 6/4 of both its predecessors seemed more than usually marked. Tennstedt accompanied with much care; simple details of emphasis had evidently been scrupulously worked out well in advance.

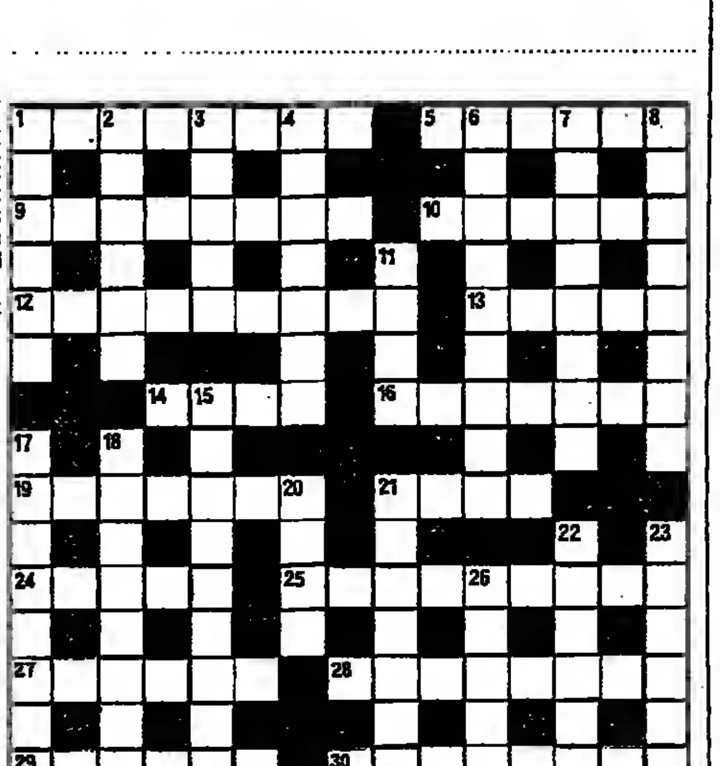
ANDREW CLEMENTS

F.T. CROSSWORD PUZZLE No. 5,142

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



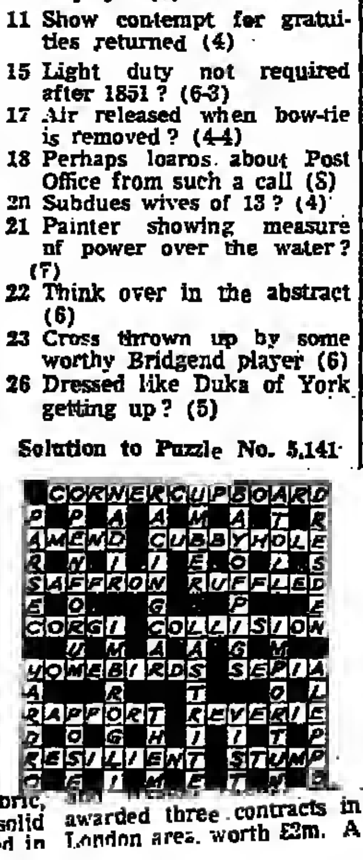
ACROSS

1 Risk hard lines in court (8)
5 Dotty pair belonging to Nurnberg? (6)
9 He can never win the Lakeland fell-racing event (6-2)
10 Sabre-rattling time for body at the front (6)
12 Right of possession of king in free wine-shop (9)
13 Judge boss to be very big (5)
14 Swimmer looking pale after second (4)
16 Novice around Aintree? (7)
19 Pacific-like from cocaine extract (7)
21 River to deteriorate (4)
24 Italian author of Aminta's so famous! (5)
25 I try a well-planned permutation—I come up on the pools (5-4)
27 Decorated with yellow sodium and tellurium (6)
28 Drink to make Basil bitter? (4-4)
29 Many stars loose in camp (6)
30 Old hat behind The Times? (8)

DOWN

1 eg Ford overweight? Box at lightweight, then! (6)
2 Beginning to appear, losing day in sun-shelter (6)
3 Not coded, settle tax-bills, etc. (5)
4 Asperate what is extremely garish in French university
6 Grass in which Mary embraces John in Spain . . . (9)
7 . . . a man-girl involvement that is causing apprehension (8)
8 Having illustrated army display? (8)
11 Show contempt for gratuities returned (4)
15 Light duty not required after 1851? (6-3)
17 Air released when bow-tie is removed? (4-4)
18 Perhaps loans about Post Office from such a call (8)
20 Subdues wives of 13? (4)
21 Painter showing measure of power over the water? (7)
22 Think over in the abstract (6)
23 Cross thrown up by some worthy Bridgend player (6)
26 Dressed like Duke of York getting up? (5)

Solution to Puzzle No. 5,141



ing single-ply aramid fabric, steel cord carcass and solid woven carcass. Also included in

awarded three contracts in the London area, worth £2m. A con-

BBC 1

†Indicates programme in black and white

6.25 am Open University. †8.55 Edgar Kennedy in "Dumb's The Word." 9.15 Get Set. 11.00 Saturday Morning Film: "Apache Drums." 12.12 pm Weather.

12.15 Grandstand, including 12.50 News Summary. Football Focus (12.25); Darts (12.55, 3.55) from Slough; Racing (1.55, 2.25) from Aintree; the 2 o'clock, 2.35 and at 3.20 The Grand National. 3.45 Half-time Soccer; 3.55 Darts; 4.30 Grand National Re-run; 4.40 Final Score.

5.10 Mickey and Donald
5.35 News and Weather.
5.45 Regional Variations
5.50 The Dukes of Hazzard.
6.40 Pop Quiz.
7.10 Saturday Film: "The Paper Chase."
9.00 News and Sport.
9.15 Dynasty: "The Iago Syndrome."
10.05 Terry Wogan with guests.
10.50 Blood Money
11.45 The Grand National re-run.
12.05 am Cannon.
12.55 Weather.

Regional variations:

Wales—5.45-5.50 pm Sports News. 12.55 am Weather for Wales.

Scotland—12.15 pm Grandstand (as BBC 1) except: 3.55-4.40 pm Rugby. 5.45-5.50 Scoreboard. 12.55 am Scottish News Summary.

Northern Ireland—5.00-5.10 pm Northern Ireland Results. 5.45-5.50 Northern Ireland News. 12.55 am Northern Ireland News Headlines.

England—5.45-5.50 am London and the South-East: Sport. South-West (Plymouth): Spotlight Sport. All other English regions: Sport/Regional News.

BBC 2

6.25-7.40 am and 8.05-3.10 am Open University. †3.20 pm "Having a Wonderful Time," starring Ginger Rogers and Douglas Fairbanks.

†4.25 "Bachelor Mother," with Ginger Rogers and David Niven.
5.45 Grand Slam Bridge Tournament.
6.10 States of Mind: Jonathan Miller talks to psychologists.
7.00 News and Sport.
7.20 Alfred Brendel Masterclass: programme recorded in Jerusalem.
8.05 Begging the Ring.
9.00 Roger Doesn't Live Here Any More.
9.30 Dancers.
10.25 News On 2.
10.30-12.50 am Film of Macbeth.

LONDON

6.00-9.15 am TV-am Breakfast Programme. 9.30 Sesame Street. 10.30 The Saturday Show with Isla St Clair.

12.15 pm World of Sport. 12.20 Squash from Chichester. 12.40 Cycling. 12.45 On the Ball. 1.15 News. 1.20 The ITV Four from Salisbury (1.30, 2.00 and 3.05) and from Cranborne (2.30). 1.40 Gymnastics from Moscow. 2.10 Rallying. 2.40 Motor Cycling. 2.45 Boxing. 3.15 Athletics from Holland. Golf (The U.S. Masters). 3.45 Half-time soccer news. 4.00 Wrestling. 4.45 Results.

5.05 News.
5.15 Greatest Hits — 1981.
5.45 The Fall Guy.
6.45 Punchlines.
7.15 3-2-1 . . . Sea Cruise.
8.15 T. J. Hooker . . . The Empty Gun.
9.15 Tales of the Unexpected.
9.45 News from ITN.
10.00 The Big Match.
11.00 London News Headlines followed by international golf from Georgia.
12.30 am Sit up and listen with the Rev Peter Lewis.

CHANNEL 4

†2.15 pm Rhapsody in Blue (1945): biography of composer George Gershwin.
4.40 Spring Collection.
5.05 Brookside.
6.00 News Headlines followed by Hollywood 13/13: The End of an Era.
7.00 American Bandstand's 30th Anniversary Special.
9.55 The Cheryl Ladd Special.
†10.55 The Uninvited (1944): Classic chiller, starring Ray Milland and Ruth Hussey.

S4C (WALES)

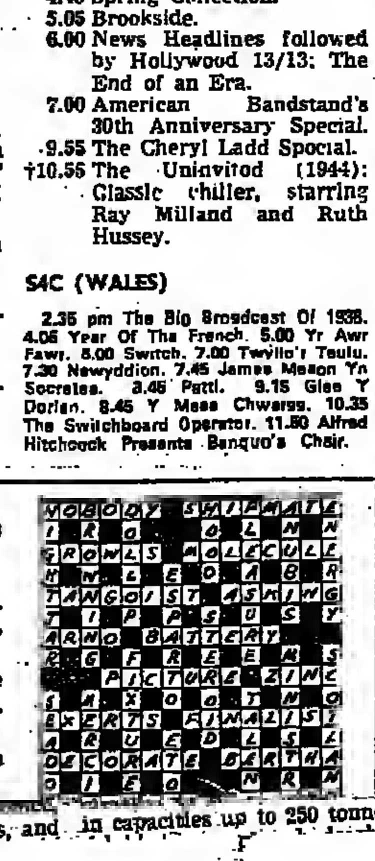
2.35 pm The Big Broadcast Of 1938. 4.05 Year Of The French. 5.00 Yr Awr Fawr. 5.00 Switch. 7.00 Twyllo'r Teulu. 7.30 Newyddion. 7.45 James Mason Yn Socrates. 8.45 Patti. 9.15 Glas Y Dorlan. 8.45 Y Mess Chwarae. 10.35 The Switchboard Operator. 11.50 Alfred Hitchcock Presents Banquo's Chair.

Solution and winners of Puzzle No. 5,137

Miss Sarah Metcalf, Alards, Shipbourne Road, Tonbridge, Kent.

Mrs A. Bristow, 18 Wivenhoe Road, Alresford, Colchester, Essex.

Mrs Margaret Lawson, 61 The Fairway, Saltburn, Cleveland.



Alterations will provide ... together with welfare areas, and in capacities up to 250 tonne for

REGIONS

All IBA regions as London except at the following times:—

ANGLIA

9.35 am God's Story. 9.50 European Folk Tales. 10.05 Star Fleet. 5.45 pm Chips. 12.30 am At The End Of The Day.

BORDER

9.40 am The Adventures Of Gulliver. 10.05 Star Fleet. 5.45 pm Chips. 8.45 News And Border Weather.

CENTRAL

9.35 am God's Story. 9.50 Larry The Lamb In Toytown. 10.05 Star Fleet. 5.45 pm Chips. 10.00 Star Soccer.

CHANNEL

5.15 pm Puffin's Pla(i)ce. 5.20 Happy Days: Life Is More Important. 5.45 Falcon Crest. 9.45 News followed by Channel Islands Weather.

GRAMPIAN

9.35 am God's Story. 9.50 Noddy. 10.05 Star Fleet. 5.45 pm Chips. 10.00 Scotsport. 12.30 am Reflections With Rev Michael Crawford of Aberdeen.

GRANADA

9.35 am God's Story. 9.50 Cartoon Time. 10.05 Star Fleet. 5.45 pm Chips. 12.30 am Lou Grant.

HTV

12.13 pm HTV News. 5.13 HTV News. 5.15 Chips. 5.15 Greatest Hits—1981.

SCOTTISH

9.35 am Wattoo Wattoo. 9.40 The Smurfs. 10.05 Star Fleet. 5.45 pm Chips. †10.00 Scotsport. †12.30 am Late Call: The Rev Sandy McDonald.

TSW

9.25 am Look And See. 9.30 The Saturday Show. 10.28 Gus Honeybun's Magic Birthdays. 10.30 Star Fleet. 10.50 The Fugitive. 11.40 WKRP, In Cincinnati. 12.12 pm TSW Regional News. 5.15 Newsport. 5.20 Happy Days. 5.45 Falcon Crest. 12.30 am Postscript. 12.35 South West Weather.

TVS

9.35 am Secret Valley. 10.05 Star Fleet. 5.45 pm Saturday News And Sport. 5.50 Knight Rider. 12.30 am Company.

TYNE TEES

9.30 am Morning Glory. 9.35 The Fantastic Four. 10.00 Star Fleet. 12.13 pm North East News. 5.45 North East News. 5.47 Chips. 10.00 Shoot. 12.30 am Poet's Corner.

ULSTER

10.05 am Star Fleet. 5.13 pm Ulster News. 5.45 Chips. 9.59 Ulster Weather. 12.30 News At Bedtime.

YORKSHIRE

9.30 am Melotoons. 9.40 Fangface. 10.05 Star Fleet. 5.45 pm Chips.

RADIO 1

(S) Stereo (when broadcast on vhf)

6.00 am Tony Blackburn's Saturday Show. 10.00 Dave Lee Travis. 1.00 pm Guitar Greats: 8. B. King (S). 2.00 A King In New York (S) with Jonathan King. 2.05 Paul Gambaccini (S). 4.00 Saturday Live (S). 5.30 In Concert (S). 7.30 Janice Long. 10.00 Gary Davies.

RADIO 2

8.05 am David Jacobs (S). 10.00 Sounds of the 60s (S). 11.00 Album Time (S) including 11.02 Sports Desk. 1.00 pm The Impressionists. 1.30 Sport on 2 including The Sun Grand National. Racing from Aintree. Football: Second-half commentary from 3.55. 5.00 Sports Report. 5.00 Country Greats in Concert (S). 7.00 Jazz Score. 7.30 Big Band Special. 8.00 Memories of Old Vienna (S). 10.00 Nordring Festival 1982 (S). 11.02 Sports Desk. 11.10 Pete Murray's Late Show (S). 2.00-5.00 Liz Allen (S) presents You and the Night and the Music.

RADIO 3

8.00 am News. 8.05 Aubade. Grieg, Flotow, Milhaud, Bizet, Copland (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release: Cantaloube ... harmonic Orchestra (Part 1) John McCabe, Stuch (S). 12.05 pm Reading. 12.10 Concert (Part 2) Brahms. 1.00 News. 1.05 Amadeus String Quartet: Mozart, Shostakovich (S). 2.00 The Music of Spain: Albéniz Orch. Arbos, Surinach, Soler, Falla, Gerhard, Rodrigo, Granados, Bretón, Espla (S). 5.00 Jazz Record Requests (S). 5.45 Critics' Forum. 6.35 Iberian Organs of Spain and Portugal (S). 7.15 Psychology: short story. 7.30 Rusalka. Opera by Dvorak. ENO production in English from the Coliseum (Act 1) (S). 8.20 Who Have the Gods Afflicted Me? 8.35 Rusalka (Act 2) (S). 9.25 Retrospective Revolutions. Stephen Fender on American literature. 9.45 Rusalka (Act 3) (S). 10.45 Kurt Weill (S). 11.15-11.16 News.

RADIO 4

7.00 am News. 7.10 Today's Papers. 7.15 On Your Farm. 7.45 In Perspective. 7.50 It's A Bargain. 7.55 Weather. 8.00 News. 8.10 Today's Papers. 8.15 Sport On 4. 8.48 Breakaway. Holiday and travel news. 8.57 Weather. 9.00 News. 9.50 News Stand. 10.05 Talking Politics. 10.30 Daily Service (S). 10.45 Pick of the Week (S). 11.35 From Our Own Correspondent. 12.00 pm News. 12.02 Money Box. 12.27 I'm Sorry, I Haven't A Clue (S). 12.55 Weather. 1.00 News. 1.10 Any Questions? 1.55 Shipping Forecast. 2.00 News. 2.05 Thirty-Minute Theatre: The Pre-Raphaelite, by Monica Mears (S). 2.35 But, Chancellor. An inquiry into the Treasury. 3.05 Wildlife. 3.30 Groundswell: programmes about our environment. 4.00 News. 4.02 International Assignment. 4.30 Does He Take Sugar? Magazine for disabled. 5.00 Cooking with Herbs. 5.25 Week Ending. A satirical review (S). 5.50 Shipping Forecast. 5.55 Weather. 6.00 News. 6.25 Desert Island Discs: Ruggiero Ricci (S). 7.20 Stop the Week with Robert Robinson (S). 8.00 Richard Baker (S). 8.30 Saturday-Night Theatre: "Skyhooks," by Alan Plater (S). 10.00 News. 10.15 Miriam with a Tambourine: Black-led Churches (S). 11.00 Lighten Our Darkness. 11.15 Stop the Week with Robert Robinson (S). 12.00 am News.

BBC RADIO LONDON

5.00 am As Radio 2. 7.32 Good Fishing. 8.04 London Today. 8.33 The Magic Carpet Company. 9.03 Openings. 9.30 Corridors of Power. 10.02 All That Jazz. 11.30 Robbie Vincent's Saturday Show. 2.02 Breakthrough. 3.30 The Great Composers. 5.30 Evening Star. 6.30 Radio Replies. 7.00 Close Encounters. 7.30 Sussie Barne. 10.00-5.00 am The Radio London Storython.

LONDON BROADCASTING

7.00 am AM with Jenny Lacey and Greg Strange. 10.00 Jellybone with Clive Bull. 12.00 LBC Reports. 1.00 pm Sportswatch. 6.00 LBC Reports. 7.00 Geet Mala. 8.00 Network. 9.00 Hayes on Saturday. 10.00 Nightline.

CAPITAL RADIO

7.00 am The Breakfast Show. 8.00 Dave Cash and Peter Young. 11.00 Alan Freeman and Peter Young. 12.00 Alan Freeman and Mike Allen. 1.00 pm Sarah Ward and Mike Allen. 3.00 Matthew Bannister and Nicky Horne. 4.00 Adrian Love and Nicky Horne. 6.00 Gary Crowley's Magic Box. 7.00 Al Matthews' Soul Spectrum. 9.00 Roots Rockers with David Rodigan. 11.00 View From The Top with Roger Scott. 12.00 Midnight Special.

CHESS SOLUTIONS

Solution to Position No. 469

Black won by 1...R-Q7 ch; 2 K-N1 (2 K-B1, B-B5 ch), R-K8 ch; 3 QxR, R-Q8; 4 QxR, BxQ and White soon resigned.

Solution to Problem No. 469

1 N-K8! wins after NxN 2 K-B8 and 3 B-N7 mate, or 1...N-B4 ch; 2 K-B8, NxB; 3 N-Q6 and 4 N-B7 mate (an

equity expressed as per cent of ... is an indication of relative cheapness

THEATRES

WINE/COLLECTING

Tasting seventy-seven 1966 clarets

BY EDMUND PENNING-ROWSELL

THE 1966 clarets have generally been accepted as second in their decade only to the *hors concours* 1961. After a normal, late-September vintage an average quantity of red wine was produced for the period: 1,283,000 hl, which was less than the previous good vintage of 1964. or of its successor in 1967. For the first-growths the success of the vintage was marked by a return after four years to something like the 1961 opening prices: up to FFr 27,000 a *tonneau* (=1,200 bottles), but other popular classed growths such as Palmer, Léoville-Las-Cases and Cos-d'Estournel came out at much the same level as in 1964: at around FFr 6,000.

At a time when consumers still generally waited to taste the wines when bottled there was no great rush to buy the 1966s. When first offered in bottle superior wines could be bought for £1 e bottle, and the important growths such as Ducru-Beaucaillou and Palmer for £1.50 or less.

While the lighter 1967s were drunk, and the highly publicised 1970s and 1971s were bought up, the 1966s were left to develop. But when about ten years old — the time when it is thought appropriate first seriously to open a fine claret —they appeared closed up and dumb. This is not uncommon, owing to the tannin which makes the wine taste hard and somewhat acid. The St Emilions and Pomerols were softer and more forthcoming.

There comes a point, however, when most vintages are expected to declare themselves, but the 1966s have tended to remain reticent, and their future has remained in doubt. To try to clear this up e mass tasting, to which I was invited, was recently held on the premises of Averys of Bristol.

For the last five years a smell group of wine merchants, several of them Masters of Wine, have met informally from time to time to consider various claret vintages. All from independent concerns, they bave included "in their personal capacity," members of such firms as Adnams of Southwold, Les Amis du Vin of W12, Averys of Bristol, Corney and Barrow of EC1, Lay and Wheeler of Colchester, O. W. Loeb of SW1 and Moran of Bristol. Pooling their resources, they have met in turn in each others' offices, end this time in Bristol they assembled no fewer than 77 of the 1966s, ell but one château-bottled.

These included 38 of the Médoc classed growths, five red classed-growth Graves, seven Grands Crus Classés St-Emilions, and seven Pomerols on the level of classed growth if there were e classification there. This left 20 Médoc crus bourgeois or their equivalent in the other three main red Bordeaux districts.

The order of tasting worked out very well, starting with some minor and bourgeois Médocs, continuing with second-rank St-Emilions, Pomerols and Graves, and theo proceeding through the main Haut-Médoc communes, starting with Margaux and its environs and finishing with Pauillac. These were followed by ten "great wines" from all four districts, succeeded by seven first-growths. A loose voting system was based on one to 20, but I regarded this as too wide e range, although it was intimated that any vote under ten would indicate an out-of-condition wine. I tended to follow this, but not all tasters did. Nevertheless in the subsequent summing-up it appeared that there was fairly general argument as to the relative quality of each wine.

This marathon tasting, in which, needless to say, expectation was the order of the day, took about 2½ hours, and to avoid too much disturbance of the wines by constant tipping up of the bottles, a half-filled glass was placed in front of each taster, and only replenished as needed.

For the minor bourgeois growths there was not much enthusiasm. Perhaps not too much can be expected after 16 years, but in general they were brown in colour and dried up. The first that to me combined some bouquet, fruit and body was the St-Emilion, La Clotte. After that Lanessen, from Cissac, had some character if distinctly brown, while the St-Estèphe Phélan-Ségur had style, if tannic. But oll are for early drinking.

Of the St-Emilions, all brown-tinged, to me Canon was clearly the best: firm, with a fruity body and fine aroma. Gaffelière was passable, but the very dry Magdelaine was probably a bad bottle.

With the lesser Pomerols I liked the Lagrange best, ea it had roundness and flavour, while the L'Enclos and Clos René, with colour and fruit, were agreeable in their class. Two wines thet might have been expected to show well, Petit Villages and de Sales, were plainly out of condition.

Not only was the Domaine de Chevalier the best of the second-rank Graves, but the most distinctive, well-balanced wine yet tasted. The Pape-Clément had some class but was rather tannic and dry.

With the classed-growth Margaux the general level improved, and for me the du Tertre rather surprisingly led the field, with good colour, fine bouquet and elegant flavour. Lighter but also well-balanced were Issan and the not-often seen Durfort Vivens. Rausan-Ségla I preferred to Rauzan-Gassies, but some did not much care for either.

The St-Julien standard was higher still, although few showed much in reserve. My choice at the second level was Gruaud-Larose, followed by Branaire-Ducru and Léoville-Barton, which had e good nose and was oaky if a little bitter at the end. Beychevelle had style too but was rather tannic, and Léoville-Poyferré was dry and lacked character. Cos d'Estournel led the St-Estèphes for me, following by the traditionally austere Montrose.

Among the second-rank Pauillacs Pichon-Lalande was the clear winner: with fine aroma, distinguished, light but finely balanced. Next in order of quality came Grand-Puy-Lacoste, Heut Batailley, Mouton Baron Philippe and Heut-Bages-Libéral. Lynch-Bages may have been a poor bottle.

The "greats" were generally impressive. Ducru-Beaucaillou was more open, rounder than the austere but classy Léoville-Las-Cases. La Mission-Haut-Brion was e big, bold, earthy Graves of distinction, and Figeac a fine flavoury St-Emilion. Palmer was full-coloured and fruity, but perhaps lacking e little complexity, and Trotanoy had much of the desirable Pomerol richness. Good too were the Les Fortts de Latour and the Carruades de Lafite.

It was, I believe, generally agreed that Latour led the first-growths, with big colour, full aroma and plenty of flavour and character. After that opinions may have varied, but I placed Lafite next, just ahead of Pétrus and Mouton-Rothschild, both of which may develop further. Cheval-Blanc though attractive to drink, lacked a little "class" and length of flavour. Although Haut-Brion came ahead of Margaux, then in a bad period, I believe I have drunk better bottles of this Graves, as it lacked some distinction.

Indeed opinions could only be based on single bottles of each wine, but the general conclusion of this extremely comprehensive tasting was somewhat disappointing. Up to the classed-growths the wines were past their best, and some of the latter too. The more successful, fuller bodied classed-growths were good but not great, and it would be difficult to predict that many would still improve. Which is not to say that they will quickly decline.

A missal Apocalypse in miniature

BY JANET MARSH

THE INDUSTRIOUS John Ruskin recorded in his diary, one day in 1854: "Cut missal up in evening—hard work." He was by no means alone in this well-meant act of vandalism. For centuries connoisseurs considered that the exquisite work of the medieval miniaturists appeared much more handsome when removed from the dry old texts the pictures were meant to illustrate, and tastefully mounted in their albums.

One such album was assembled by the painter and dealer Peter Birmann early in the 19th century for a Swiss collector, Daniel Burckhardt-Wildt. It contained no less than 475 illuminated clippings; and its contents provide the major part of what Sotheby's reckon to be the largest auction of cuttings from medieval manuscripts ever held. (With charming modesty the director of Sotheby's medieval manuscripts department concedes that a sale held in 1825 may be its closest rival.)

The most important discovery in the collection is a series of 77 illustrations from a 13th century Apocalypse. Their appearance is an event of such moment for medievalists that before dispersal they have been put on exhibition in New York, Sydney and York, England, where they were probably painted about 1270. They may well realise an aggregata price in the region of £500,000 et the sale on April 25.

The Biblical vision of the Apocalypse in the Revelations of St John fulfilled a very similar function for people of the Middle Ages to that which science fiction does today. The customary form of a science fiction atory or film is to suppose the ominous tendencies of our own times escalating to a point of *cosmic catastrophe*. But beyond the catastrophe there is always some vestigial remains of civilisation (Our Hero and Heroine, for example) to afford some promise of the world's renewal.

Not too dissimilar, the Revelations of St John presented a vision of present human misery leading to cataclysmic horror and the rule of Antichrist. The dramatic intervention of God, however, produced the overthrow of the powers of darkness, and the elevation of the righteous faithful to Heaven.

St John, en exile on the Isle of Patmos, intended the book as comfort for fellow victims in the conflict of the Christian Church and the Roman state. Churchmen of the early middle ages were somewhat dubious about the authority of the Revelations, but the book's popularity persisted and reached a peak in the thirteenth and fourteenth centuries. It fulfilled a need. The public of the 1980s submits to the fictions of *Star Wars* or *E.T.* because they afford alternative visions to the threat of nuclear war. The world of the thirteenth century looked to St John's Revelations for comparable reassurance in the fece of threats and happenings in their own way no less fearful.

Pestilence and strife were everywhere. The English king had slain St Thomas à Becket: there was civil war in Germany and conflict between the Pope and the Holy Roman Emperor; there were crusades against both the followers of Mahomet and the heretics of Toulouse. The riders of the Apocalypse—the Black Horse of Famine and the Pale Horse of Death—were familiar enough to all.

It was easy to believe thet the end of the world was close: and Revelations provided cluea to divine the exact time of it. Prophets had confidently calculated that the world would end in 1260. The grand finale would be preceded by a three-and-a-half year reign by the Antichrist in the guise of a secular monarch.

By the middle of the century everyone was looking for a suitable candidate for the Antichrist. The favourite was the Holy Roman Emperor Frederick II, but he disobligingly died in 1250. Time passed. The year 1260 came and went, and the world did not end. People breathed again.

Attitudes towards the Apocalypse changed, though it retained its hold upon the popular imagination. With the end of the world in prospect it had been a text of both awful portent and divine comfort. Now that the immediate urgency hed passed, however, the aristocratic public and the artists they patronised began to appreciate how close was the Apocalypse to the fashionable literature of the day. St John, quite like Chrétien de Troyes, supplied thrilling tales of heroic knights, unfortunate ladies, desperate battles, monsters, magic and mysteries.

Because of its popularity with the laity, Revelations was the first Biblical book to be translated from Latin into vernacular French and Middle English. The text became a great favourite with the illuminators of manuscripts: almost 100 illustrated Apocalypses created between the 13th and 15th centuries exist, complete or in fragmentary form, in public collections. Very many of them were evidently made for lay patrons rather than for monastic use.

The newly discovered Burckhardt-Wildt Apocalypse stands high among them for the quality of its painting. Still brilliant in their original blue, orange, green and creamy-brown colouring, the miniatures have enormous energy and charm. They are rich in details of contemporary life. The representatives of good ere depicted with slim, Gothic elegance; the creatures of evil stir the painter's imagination to a manner somewhere between mediaeval gargoyles and Tenniel's illustrations to *Alice*.

We can glimpse, still vivid and vital after 700 years, the Apocalyptic vision as M. R. James—as notable e medievalist as a writer of ghost stories—described it: "The panorama of tremendous signs in the heavens, heavens which opened ever and *anon* to *show* a supreme throne and venerable shapes around it; of monstrous forces of evil looming up to dominate a frightful world; of colossal cavalcades advancing to destroy them: of the blare of trumpets, the voice of thunderings, the ringing of harps; and of one great final convulsion and purging of all *things*, out of which rises the Golden City, watered by the shining river, shaded by the trees of life, illumined—most wonderful—by e Lamb as it had been slain . . ."

SPORT

Dominic Wigan previews today's Grand National

More clouds over Aintree

THE GRAND NATIONAL has been with us since 1837 with only e break brought about by the Second World War (two First World War Nationals were run at Getwick) but the race's future is by no means as secure as those details might suggest.

Unless the Grand National's £4m eppeal target is reached or almost met by the May 1 deadline, it is still possible that the great spectacle watched or listened to by hundreds of millions worldwide will be lost for ever. At present, there is £2m in the kitty.

But although time is running out for them much faster than they would have liked, the four members of the staff at the Grand National campaign office ere in surprisingly buoyant mood. "We have already got some £2m in cash and pledges," commented an enthusiastic spokesman yesterday from the Jockey Club campaign headquarters in London's Portman Square, as she dismissed any thoughts of the target not being reached.

The girl, who has worked solely on the project with her three colleagues since the beginning of last November—one of them has, in fact, been on the project for e year—went on to point out that 700 guests will be attending Monday's Grand National campaign ball at London's Rainbow Suite in Kensington High Street.

A sell-out at £25 a head, that *evening's fund-raising could* well get more money than the £42,000 realised as the result of the much-publicised sponsorship of the Jockey Club ride round Hyde Park's Serpentine last March.

But on the eve of the National, supporters of steeplechasing were discussing e new threat to their favourite sport. The *Labour Party's latest policy* document recommends a ban on foxhunting: if it ever became national policy it would change the fece of National Hunt racing beyond recognition.

Were it not for the hunting field, the sport's supporters argue, many steeplechasing giants such as Grittar and Spartan Missile, who dominate *today's Grand National* betting, would not be seen at Aintree.

Grittar after winning last year's National

A brief survey of today's Grand National line-up shows *that Grittar, Peaty Sandy, Williamson* and Midday Welcome, are all trained by permit holders—small trainers who would be particularly hit if recruits from the hunting field were ever banned.

Grittar's remarkably easy victory of a year ago waa the first "all amateur" win since the legendary Reynoldstown won a second successive National in 1936: when partnered by a 26-year-old rider—Fulke Walwyn.

Trained by one of Oakham's moat respected hunting and point-to-pointing figures, Frank Gilman, whose main business is farming, Gritter was ridden in 1982 by Dick Saunders.

With the retirement of that rider who was enjoying his first and last ride in the great race and an injury to the champion jockey elect, John Francome *Paul Barton*, comes in for the ride on Grittar. I am confident it will be a prominent one.

However, the temptation of a more adventurous selection sways me towards Keengaddy, whose overall form suggests that he should not be available at twice the odds of Gritta.

Sparten Missile, who would here provided the permit-holding ranks with another National success, if his late owner, John Thorne (killed in a freak point to pointing fall) had been able to bring out the best in him on the long run-in two years ago, looks a shadow of his former self.

Handled by his late trainer's son-in-law, Nicky Henderson, Spartan Missile, had been plagued by injuries until only two or three months ago.

Keengaddy and five to watch

MY SELECTION is Keengaddy (14-1); but let us look at six horses I regard as the main contenders.

BONEM OMEN (9—1)

A live hope saddled by the legendary Fulke Walwyn who landed his 2,000th success as a trainer only a few days ago. "Given anything but firm ground he must have a great chance," the stable reports.

GREASEPAINT (14-1)

Sent over by Michael Cunningham whose Cairn Ronge won the Champion Stakes. *Greasepaint* is almost certainly the best of a motley Irish band.

GRITTAR (5-1)

Paul Barton will be an able deputy for John Francome on the favourite and it is worth remembering that he has ridden the still young chaser once before.

KEENGADDY (14—1)

The one most fancied by Fulke Walwyn outside his own stable, Keengaddy is not only *proven here at Aintree* but is also in tremendous heart at present.

PEATY SANDY (14—1)

Another tough chaser, Peaty Sandy could become the first Scottish horse to win since Rubstic in 1979. It was back in 1966 that another Scottish chaser, Freddie, was *backed from* 10-1 to 11-4 *on* the day of the race. No such move is likely over Peaty Sandy.

SPARTAN MISSILE (6—1)

Had he been professionally ridden, Spartan Missile would undoubtedly have caught and passed Aldaniti and Bob Champion in the closing stages of the race a couple of *years ago. But it is questionable* whether he will ever quite recapture his brilliance.

Ben Wright reports on an old Master

Arnie relights the candle

A MALIGNANT weather system, aweeping in from the West Coast, brought the U.S. Masters to a helt before the second round started in Augusta, Georgia.

The same storm had previously cut off New Orleans and the day's play at the Augusta National was postponed before the first players had gone out.

The Masters' chairman, Hord Hardin, said the storm covered Georgia and Louisiana and that the forecast showed no hope of improvement until midday today. He was prepared, he said, to break Masters' precedent and try to play the second round today and complete the championship with two rounds on Sunday.

It was the unusual luck of the leaders in the first round to be totally overshadowed by a 53-year-old golfer whose last *championship victory* was no less than 20 years ago, when he won in Augusta.

Jack Renner, Raymond Floyd and Dr Gil Morgan, represent a substantial amount of promise, colour and experience but when Arnold Daniel Palmer who goes round in 68, four under par, to lie second in a major championship, then the world, or that part of it represented by the American golfing public and press, goes into a state of near hysteria, or, as the Americans say, bananas.

The 67s of the leading trio were lergely ignored, as were to the 68, of amateur Jim Hallet, Cherles Coody and even that of former Masters' champion Severiano Ballesteros, whose post-round press interview was sparsely ettended and marked mostly by acrimony.

He was asked if his game had improved since 1980 when he won "after" his questioner alleged "being all over the place."

There was a smile on Ballesteros' face as he replied, but the words were bitter. He based his American reputation as a wild man who can only scramble his way to victory. He has never forgotten the tag of "parking lot champion" stuck, ignorantly, on him by the American press after his Open Championship win at Royal Lytham St Annes in 1979.

"Why you look only for bad shots," he said. "Why you not look for good ones? When I win the Masters I was ten shots ahead with nine holes to play. I can't heve been in the trees all the time."

longer than anyone else in the Master's press room. His hour long interview, by upwards of 200 journalists, had its poignant moments as Palmer struggled with his conflicting emotions.

He was overjoyed, naturally, at having scored so well but the honesty of the man kept breaking out. "I was in contention in Los Angeles earlier this year, and led with nine to play. But I got nervous, I choked, in fact I could hardly swallow. It had been such a long time . . ."

In fact it had been ten years, back to the 1973 Bob Hope classic, since Arnie had contended—and the last time he had won.

So why had he continued to play? "I didn't want to get old and fat and sit around and not do anything," said Palmer. He has, in fact, taken the classic steps of starting jogging, doing exercises and going more frequently to the practice tee.

"I run three miles, go to the office, hit balls all afternoon and then I sleep," he said, "very very soundly. I want to win more than ever. There was a time in my forties when I was tired of golf. I needed to walk away; to relight the candle. Now my desire is rekindled and I am trying hard."

He was asked if he could win, and there was a flash from the by now bespectacled, comfortable looking Pelmer. "Damn *right I can*," he said.

The leaders got into position in their various ways, with Renner eagling both the long holes on the way home, the 13th and 15th. Floyd claimed not to be bothered by his 67, claiming that he laid little store on first rounds. Morgan winner of two tournaments this year, and of $100,000 in seven straight years, is clearly a factor who could be around come Sunday night.

The defending champion, Craig Stadler, is only two behind having had five birdies in the last seven holes while the best British score came from Nick Faldo, with a 70.

Peter Oosterhuis had a one over par 73 but Sandy Lyle who has looked so promising in practice, disappointed. He had no sooner got back to the level par with a birdie at the 15th, than he deposited his tee shot at the short 16th in the water

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Unacceptable

IN AN ACT of random victimisation the Financial Times finds itself caught up in the intelligence poker game between the Soviet Union and the Western alliance. Anthony Robinson is our correspondent in Moscow, nothing more and nothing less. The Soviet authorities know this, yet they have cynically chosen to accuse him of "unacceptable activities" and have given him a week to leave the country.

The motive is clear: the move is in retribution for the expulsion of a Soviet journalist by the British Government for "activities incompatible with his status." That decision by the British Government has nothing to do with the Financial Times. We can only assert with authority that Russia's counter-blow against Mr Robinson is unjust, unacceptable and ultimately against the Soviet Union's own interests.

The Financial Times is an independent newspaper with an international coverage and readership. It has a reputation for accuracy and impartiality. It believes that the free flow of information makes an important contribution towards general prosperity.

If the Soviet Union is interested in East-West trade—which it is: if it values Western understanding of its prospects and problems—which it must; it does itself an injury by denying the Financial Times access to Moscow.

Holidays are refreshing

THE DAWN RAID by BTR on the Tilling Group, which made the most stirring market news of a seasonally quiet week, seems to have been sadly mistimed: many of the fund managers and other shareholders who might have accepted BTR's price were still on an extended Easter break. They are likely to return next week feeling considerably refreshed. Sterling has recovered quite sharply from its oil-induced fall, and the economy continues to show signs of an undramatic but distinct improvement, which should be reinforced if interest rates fall, as expected, in the next few days.

The most promising development for the British economy is not so much the accumulation of fairly good news, but the revival of confidence which has resulted. There has not been much bad news visible to spoil the mood, which is now becoming quite robust; some wags, for example, have greeted a prolonged strike at British Leyland as another sign that things are getting back to normal.

There are three reasons at least for some caution, however. First, it will take some weeks to be sure that the oil price has indeed stabilised. Second, Wall Street is showing signs of second thoughts about the promised U.S. recovery, and for some good reasons. Finally, the international debt crisis has not yet been resolved: it has simply become much less dramatic.

The oil question can be, and indeed must be, left to time. For the present, there is agreement on prices strong enough to carry some conviction in the spot market. What remains to be seen is whether this conviction is strong enough to persuade refiners and users to replenish their stocks — or failing that, whether the Opec producers have been sufficiently frightened to refrain from under-counter price cuts. Wait and see.

The strength of U.S. demand could prove the deciding factor in the oil market; and so far as the recovery in that huge economy is concerned, a rather disturbing division has appeared between economists of nearly every school and the business community. The economists continue to believe that either the rapid growth in the money supply (if they are monetarists) or the large budget deficit (if they are Keynesians) will stimulate recovery.

Scepticism

Businessmen, however, seem more doubtful: there is little sign of recovery in the abysmal level of investment spending, and car production has been cut again. British businessmen with memories of the monetary "explosion" of 1980, and the pains of subsequent efforts to cut government borrowing to leave room for lower interest rates, may share this scepticism.

This is where the world banking crisis comes in, for as U.S. Treasury Secretary Regan pointed out in Congress this week, the slowdown in international lending is a threat to American exports — and of course British, German and Japanese exports, too. That is one reason why Japanese business confidence is at a seven-year low.

We in Britain, then, are looking for a do-it-yourself recovery, with only modest help from outside. It is possible and even probable, for consumer demand is more likely this year than for some years past to feed through to factory orders, rather than being met from warehouse stocks or rising imports. It is unlikely to be dramatic though.

Britain's top selling cars in March (left to right in order of sales): Sierra, Escort, Fiesta, Metro and Cavalier

A bare-knuckles fight in the car market jungle

By John Griffiths

FIRST, the good news: Talk to the Society of Motor Manufacturers and Traders and they will say that there is a strong chance that the total UK new car market this year will come close to the record 1.71m units of 1979.

That is much more than anyone dared hope towards the end of last year, when the SMMT suggested that the modest revival then being experienced could produce 1.6m sales this year—still a useful increase over the 1.5m of 1982, and much better than the 1.48m of 1981.

The bad news is that all the extra sales are likely to do little or nothing for the trade and industry's profitability.

A prediction by Dr Jim Maxmin, chairman of Volvo (GB) at the start of this year that 1983 would be at least as tough as 1982—marked by endless discounting, special offers and zero per cent financing—is being fully borne out.

As Mr Sam Toy, chairman of Fords of Britain, said recently: "At the moment the new car market is a jungle." If anything, the jungle is becoming even worse and shaping up as the scene of a bare-knuckles fight between Ford, determined to hang on to a UK market share of 30 per cent, and General Motors.

Mr Toy made his "jungle" remark against the background of Ford's concern over a "whispering" campaign against its new Sierra model. The rumours suggested that the car was not doing as well as it should and that Ford was already planning to change its controversial body shape—a suggestion hardly the less damaging for simply being untrue (the cost would be enormous).

The Sierra has a highly important job to do for Ford: it was conceived as the successor to the Cortina, the market leader for many years, which regularly held 11-12 per cent of the UK market.

Last month, it did indeed become the UK's top seller, taking 11.6 per cent of the market. But the top spot was achieved with a whole range of incentives which, in the view of several of Ford's rivals, should not be necessary for 12 months after the launch in the case of a wholly successful model.

According to one executive of a company running a fleet of a few hundred cars, the incentives "meant for us a total discount of another 7-7½ per cent on top of the 14 per cent which is the going rate on most fleet models at the moment."

The result was certainly a success in unit sales terms — on some days towards the end of last month Sierras were accounting for 50 per cent or more of all daily registrations.

Mr Toy stressed that "if Ford needs more firepower to preserve its position, we will find it. And we are one of the few companies in the financial position to be able to afford that firepower."

The trouble is, despite its historic losses (now ending) Vauxhall-Opel, or rather its General Motors parent, is not about to let slip what emerged as a golden opportunity to snatch a substantial slice of the UK market, mainly with its Cavalier, while the Cortina was being phased out and before the Sierra appeared.

Vauxhall-Opel's market share has shot from 7 per cent to 12 per cent since the Cavalier's launch, and the company intends to have 16 per cent at least by 1985 (from next month another important model in its range, the small Spanish-built Nova, will take Vauxhall into the "supermini" market, in which it has not hitherto competed).

GM, the world's largest vehicle maker, has enormous reserves that it, too, can draw on to protect the position of its newly revived UK subsidiary. "GM simply will not allow Ford to get away with it," one senior financial executive said this week.

The prospect of such a fight can do little but engender gloom in the rest of the industry; for inevitably it would have a drag-down effect on pricing structures over much of the volume cars business.

In particular, it would leave BL—for whom the resurgence of Vauxhall was an extra complication in its recovery plan—squeezed in the middle, at the very time it is at last getting to grips with the most important market sector — for medium cars — with its just-launched Maestro and forthcoming LM11 saloon.

BL has made a great deal of progress since its helm was first taken by Sir Michael Edwardes in 1978. But it is by no means out of the woods yet.

As its results for last year showed, the car division's trading loss was cut by 57 per cent from £184.2m to £78.4m. The group overall is still on course to break even at the trading level this year and at the pre-tax level next.

But as far back as last spring it was forecasting that its profits to 1985 would be £300m lower than expected because of poor UK prices, and the discounting has gone on for far longer than predicted at that time.

As Professor Krish Bhaskar, professor of finance and accounting at the University of East Anglia, and an acknowledged expert on the motor industry, points out, BL desperately needs to generate all the cash it can get if—with its government life-support system disconnected—it is to undertake the next round of large capital investments which will be needed from about 1987 to survive in the 1990s.

BL achieved one notable, but brief, success in February when, helped by a dealer incentives campaign, it got the Metro into the top selling spot. But the extent to which the market is being dictated by such campaigns became all too evident last month, when the Metro's ended. The car fell to fourth place, and even with the Maestro taking sixth place—a tremendous achievement for a just-launched model — BL finished the month with a market share still below 20 per cent.

It is now on the point of launching another campaign, for its Ambassador and Acclaim models. Patently, for most of its range—with the Maestro a current exception—the intention of BL Cars' chairman, Mr Ray Horrocks, that the cars would be sold on their merits, not price cuts, is not working.

"Somehow, we have got to get out of this downward pricing spiral," Mr Eric Fountain, Vauxhall's director of public affairs, said this week. But neither he nor any of the other companies appear to have much idea on how to go about it.

The underlying reason is that in the UK, no less than on the Continent, too many cars are still chasing too few buyers. There is about 1m cars a year over-capacity in Europe overall. And by Prof Bhaskar's estimate, it will be 1985-86 before European demand catches up with capacity and brings the industry overall into profitability.

Not only manufacturers' margins have been squeezed; dealers' profits have been pared to the bone, and when the results for 1982 are all in for the main retail motor groups, they are expected to show little if any improvement on the average pre-tax profit of 1.1 per cent on sales recorded by the 20 largest companies in 1981.

Talbot, the fourth UK volume maker, has made a brave stab at restoring order by cutting its dealer margins to a flat 12 per cent, insisting on no further discounting and throwing in road fund licence and other "extras" to produce a firm "drive-away" price.

It has been at least partly successful, in the sense that Talbot's market share, including the Peugeot car range, has halted its long slide and is remaining at 5-6 per cent. With so much more at stake, none of its three larger rivals has felt able to follow suit.

Now Talbot has extra problems, with the decision by its Peugeot parent to move Talbot UK's design and engineering operation to Paris, with associated fears that this will eventually lead to Talbot becoming simply an assembler of kits from France.

Talbot can ill afford to have its image as a "British" producer reduced. This is because the UK business car market, which accounts for about half of total sales, is heavily orientated towards "buy British"—or at least what is perceived to be British.

Both Ford and Vauxhall are the biggest importers of cars to the UK. So far this year 50.4 per cent of Ford sales have been wholly imported from the Continent, while 45.8 per cent of all Vauxhalls sold in the first quarter were imports.

Yet both Ford—despite the industrial troubles at Halewood—and Vauxhall are committed to increasing UK-based output. Ford reckons to supply all Sierras from Dagenham, and is almost doubling UK production of Fiestas. So imports should drop to about one-third of the total this year. Vauxhall is to start double-shifting on the Cavalier in the summer at Luton, which will be the only plant making estate versions of the Cavalier due in the autumn, and is to start double-shifting the Astra hatchback at Ellesmere Port next year.

Significantly, there are many in the industry who believe that the preference for "British" traditionally displayed by the fleet market is increasingly being taken up by private buyers, about 60 per cent of whom have hitherto shown a preference for "traditional" European or Japanese imports. Much of this is attributed to the highly visible revival at BL (which is why BL executives are wringing their hands over the Cowley dispute).

With BL, Vauxhall and Ford all now offering modern and attractive products in the principal market sectors, life is becoming much more difficult for the majority of European importers—and even those from Japan. Two of the previously leading European importers, Fiat and Renault, have both lost a significant market share—Fiat's has halved over the past few years and now stands at about 3 per cent (including Lancia). Both in the past were major practitioners in the discounting war.

And while the UK industry has been shielded for eight years by the Anglo-Japanese "gentleman's agreement" restricting Japanese sales to 11 per cent of the market, this year, for the first time, there are tentative indications that this might just prove redundant. The total Japanese market share so far this year stands at 7.90 per cent, and sales have not been restricted by supplies. The launch this week of a Datsun "driveaway" deal on virtually all its models which includes a three-year warranty, shows that the Japanese makers, too, are feeling the pinch.

One source of downward pressure on car prices, personal imports from the Continent, has eased, however, as sterling has fallen back against Continental currencies, particularly the Deutsche Mark. At their peak last year they were running at an estimated 50,000 a year—sufficient to seriously worry the manufacturers. But personal imports, particularly when made through companies which have specialised in supplying them, have to be paid for at the exchange rate prevailing when the car is delivered—often after considerable delay—and have recently turned out to be much more expensive than envisaged at the time the customer order was placed.

So not only has the parallel imports market been drying up, with a string of companies involved disappearing, manufacturers are also becoming rather less worried about European Community attempts to harmonise EEC car prices.

Whatever the EEC does, the UK discounting problem remains. Yet some parts of the industry are hopeful that if the current relatively high volume of UK sales is sustained for long enough, this will cure itself—in that the extra volume will ease the competitive pressures on manufacturers and dealers alike.

UK CAR REGISTRATIONS

	March				Three months ended March			
	1983	%	1982	%	1983	%	1982	%
Total UK produced	86,066	44.72	76,397	43.61	219,066	43.75	175,433	42.49
Total imports†	106,407	55.28	98,772	56.49	281,609	56.25	237,479	57.51
Total market	192,473	100.00	175,169	100.00	500,675	100.00	412,912	100.00
Ford*	61,332	31.87	68,524	39.12	159,638	31.88	139,564	33.80
BL	36,506	18.97	28,776	16.43	90,725	18.12	68,758	16.65
General Motors* (Vauxhall-Opel)	23,585	12.25	14,746	8.42	68,201	13.62	44,549	10.79
Peugeot-Talbot*	9,957	5.17	9,369	5.35	24,579	4.91	20,799	5.04
VW/Audi	10,344	5.37	7,561	4.32	31,058	6.20	23,953	5.80
Datsun	8,260	4.29	8,828	5.04	19,662	3.93	22,202	5.38
Volvo	7,520	3.91	6,138	3.50	18,979	3.79	14,843	3.59
Renault	7,146	3.71	7,231	4.13	18,680	3.73	18,440	4.47
Fiat Auto	5,079	2.64	5,049	2.88	12,756	2.55	12,966	3.14

* Includes cars assembled on the Continent not in UK total.
† Imports from all sources including cars from Continental plants of UK-based companies.

Source: Society of Motor Manufacturers and Traders

Letters to the Editor

Exchange rates

From Mr A. Nelson

Sir,—I suppose it will always be the case that there are those who never learn, but I must confess that I read the article "The case for fixed exchange rates" (April 5) with dismay. No doubt the present absence of fixed parities is a source of considerable irritation to those who yearn for a nice, tidy world, but the world is not and never has been a nice, tidy place, nor will an obstinate refusal to recognise the reality of the changing relative values of different currencies change this.

The fact of the matter is that the relative values of currencies do change, and fixed rates are an attempt to deny this, and to impose on the authorities of the various countries concerned obligations to maintain fixed parities which they are unable to fulfil if the underlying factors in the market change dramatically. The result of this is to convert what is largely a financial problem into a political problem so that the maintenance of a particular parity of exchange becomes a matter of national pride.

It is quite true to say that floating rates are intrinsically unstable, if by stable rates we mean rates that do not change except by small margins, but this is only another, and pejorative way of saying that floating rates will be permitted to find their own level without political interference.

The suggestion that floating rates were somehow responsible for the explosion in oil prices, and that fixed rates would avoid large-scale defaults by debtors is, I think, a crass oversimplification. Nor is it true that long-term investment has been unduly inhibited by floating rates, and indeed this can be seen in the amount of overseas investment undertaken in recent years by British companies.

Of course the authorities in central banks will continue to desire to iron out the wilder ... let us not have a return to a system where grave-visaged politicians met in Zürich or Basle or, indeed, occasionally in London, to tell us what a dollar or a franc was worth, and then to take up television time to explain to us with straight faces that the pound in our pockets would not be affected by their weighty deliberations.

A. W. Nelson.
Hedgerows, Orchard Road,
Protts Bottom.

Rates

From Miss B. North

Sir, — If Mr Desmond Goch (April 5) read your report of March 28 with regard to a local sales tax with dismay, I read his letter with much more than dismay; perhaps despair would be the better word.

Mr Goch may not mind which of his pockets the money is withdrawn from, but I do. If he were a single person living in an area where some equivalent flats are occupied by two or three wage- or salary-earners who were paying virtually the same rates as himself, he might mind, too.

Nevertheless, the thought of a local sales tax fills me with even more despair. I find it incomprehensible that a country which can manage a space project cannot find a simple, equitable means of funding local expenditure.

(Miss) B. E. North.
21, Trinity Church Square, SE1.

Defence

From Major-General R. Mans

Sir, — Your correspondent Evelyn Ratcliffe (March 31) asks why the United Kingdom voted against the nuclear freeze resolution in the United Nations and again against the test ban resolution proposed by Mexico.

British objections to the freeze suggestion were that it would have resulted in ... in intermediate range nuclear weapons and therefore done irreparable harm to the current U.S.-USSR negotiations on weapon reductions. All the Nato countries voted against the resolution except Denmark which abstained.

In company with the U.S., Britain voted against the test ban resolutions as they offered no solution as to how such a ban might be verified.

It should be remembered by those who are tempted to criticise Britain and its Nato allies on these and analogous issues that at the June 1982 Nato summit a solemn assurance was given that no Nato weapon, nuclear or conventional, would ever be used except in response to an attack, thus underlining the essential defensive nature of the alliance. No such all-embracing assurance has yet been given by the Warsaw Pact.

(Maj-Gen) Rowley Mans.
Kirke House,
Sway Road,
Brockenhurst, Hants.

Costly

From Mr C. Roberts

Sir,—I would disagree strongly with some comments made by Tim Dickson (March 29) on statutory sick pay.

Most businessmen (large or small) will not welcome the change because of: the substantial administrative costs imposed; the threat of visits from investigation officers; pressure from employees and unions for the company to incorporate any favourable aspects of SSP into the company's own sick pay scheme; record keeping and other various legal requirements which are considerable; and the enormous scope for error and confusion.

Saving in public funds through a possible decrease in the number of civil servants required and a reduction in the duplication of effort by business and the state is partly an illusion and partly achieved by in government inspectors will be necessary to "police" the system to prevent fraud and misuse of public money, and the extra workload imposed on the Inland Revenue to "check" that deductions of SSP payments from NI and PAYE monthly contributions are made correctly. Also the changeover from one system to another has no doubt cost the taxpayer a considerable amount of money through printing pamphlets and forms, running seminars, and publicising the change.

Absenteeism is likely to increase rather than decrease and, therefore, cost the taxpayer more. One reason is that employees will no longer have to complete a detailed and lengthy state claim form, but only a simple company form (if anything) which will be the same for five days' absence as it is for one, two or three days' absence. The second reason is that the system of 100 per cent reimbursement to employers removes any financial incentive on employers to control absenteeism. No doubt the result will be that the honest, efficient employer will subsidise the dishonest, inefficient one.

Cory Roberts,
"Broomsticks,"
Blackness Road,
Crowborough, Sussex

Experiments

From the Deputy Managing Director,
Marketing Improvements

Sir,—As the contending battle lines between at least two of the political parties are drawn in preparation for the coming General Election, one can see the stark distinction between Labour and Conservative Parties.

The Conservative Party, on the record of the last four years, appears to be wedded to the market economy philosophy ... ceed and we will applaud you for doing so and let you keep the bulk of the financial rewards you produce.

The Labour Party takes the "heads I win, tails you lose" approach. The latest published document setting out the broad lines of its manifesto seems, to me, to say simply this: If you are a small industrial or commercial company and you succeed financially then we will tax you to the hilt. If you are a large successful company we will nationalise you. If you are a large unsuccessful company employing a large number of workers, we will nationalise you so that you can stay in business and continue to make losses. If you are a small unsuccessful commercial company then you can go under and good riddance to you.

Making profits is not an ignoble ambition. For a country like Great Britain we need to place before as many companies, and those who are thinking of setting up in business on their own, all the financial incentives that are possible and practical to enable them to succeed. Only when we have a thriving economy based on thousands of—private and public—large and small companies making profits can politicians afford the luxury of idealist experiments with alternative philosophies.

John Lidstone.
Ulster House,
17 Ulster Terrace,
Outer Circle Regents Park,
NW1.

Bonds

From the Secretary,
Protective Committee for Gold Clause Claims of 6 per cent Canadian Gold Dollar Bonds of French National Mail Steamship Lines

Sir,—It has been said that France is very proud of its credit rating which has enabled it to pay the lowest margins of ... familiar with France's debt record which continues to be marred by the country's default on the gold clause claims represented by this committee. And there are fears that France may again default on its gold-linked debt when the Rente Giscard matures in 1988.

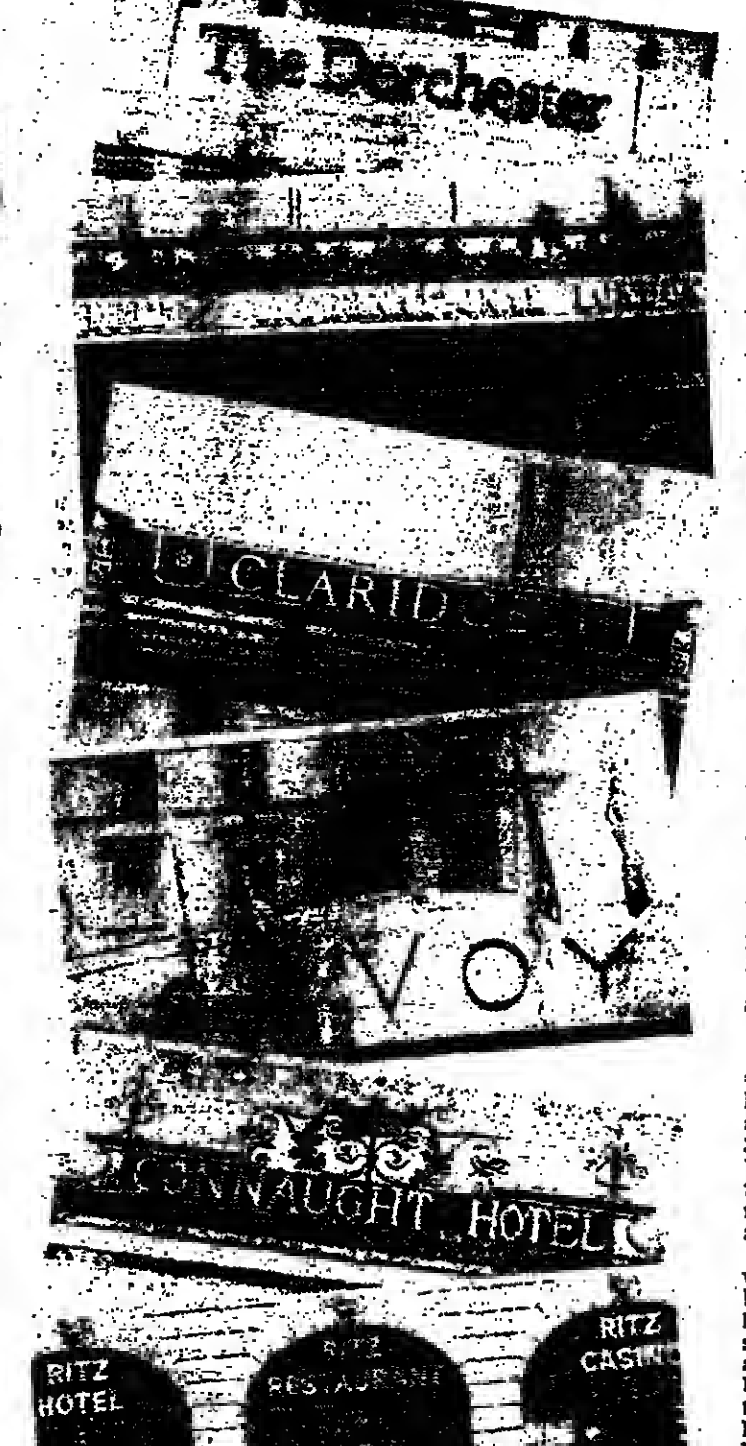
There surely is grave substance to such fears given the dismal experience of both French and non-French investors in the government-guaranteed Messageries Maritimes bonds. These bonds carried a gold clause that has defied all of the French Government's efforts to dishonour it; the French Tresor had to resort to extraordinary chicanery to repudiate its obligation. In the light of this record any lingering fear that the government might renege on its commitment to redeem the 1973 issue at a gold-backed price does not reflect the fact that investors are only too aware of the French Tresor's legal sophistry in avoiding payment of its gold clause obligations issued in 1927 by MM and unconditionally guaranteed by the French Republic.

Under the 1933 Securities Act the U.S. Securities and Exchange Commission has required disclosure of the French government's treatment of the former holders of the 1927 MM issue in every prospectus covering new debt issues for, or guaranteed by, that government. While regrettably incomplete, such disclosure nonetheless warns buyers of issues like the Rente Giscard of what may lie in store for them.

The French government's repudiation of the claims represented by this committee and supported by the U.S., Dutch and Swiss governments, along with France's insistence on exclusive sovereign jurisdiction, clearly demonstrates the country's contempt of the most elementary rules of conduct in the world's capital markets.

Arthur Sandles looks at the prospects for Britain's hotel industry

Spring again in Park Lane



AS SPRING sunshine highlights the gleaming yellow of Hyde Park's daffodils, the hoteliers who run the glossy establishments along Park Lane opposite are contemplating what looks like being their busiest summer season for years. This, after all, seems set to be the year that the Americans return.

With the pound hovering around $1.50 Britain is winning back its image as a bargain for foreign tourists.

Even at the top end of the market Britain is competitive *again*. Five years ago a room at the London Hilton cost a U.S. visitor $75 a night, while the New York Hilton's charge for a similar mid-range room was just over $60 (taxes included in both cases). Today the rates are just about level pegging at around $120 in both cities.

For the British hotel business generally the combined effects of a strong pound and world recession were disastrous. The bed occupancy for London hotels dipped from a healthy 65 per cent average in 1978 to 54 per cent a year later as sterling rose steadily to the $2 mark and beyond. In 1981 the rate dropped to 46 per cent.

In other parts of the country the drop was even more worrying. Yorkshire hoteliers saw average bed occupancies fall to 33 per cent and in the North-West business was so bad in 1981 that the average hotel only filled 29 per cent of its available beds throughout the year.

The English Tourist Board, which collates the figures, will be publishing the 1982 statistics later this month. They will show that in some places things are getting better. London's bed occupancy has climbed up two points in the year and hoteliers in the West Country, Northumbria and Yorkshire all saw better figures. But there is bad news for the South and South-East, the Thames and Chilterns, and Cumbria, where there was a further decline in business. In East Anglia trade was stagnant.

The remarkable story, however, is the way in which the Park Lane strip has made a comeback. The heart of the capital's de luxe hotel market, this runs from Grosvenor House, the imposing flagship of Trusthouse Forte, in an arc that continues through Hyde Park Corner, with its modern towers of the Hilton and the Intercontinental, into Knightsbridge, home of the Sheraton Skyline and another THF property, the Hyde Park.

Together with a scattering of luxury hotels elsewhere—the Ritz, the Savoy, Claridges and the Connaught among them—these establishments have been enjoying a rising rate of business for the past two years.

The higher tariff hotels of London increased their occupancy rates by 8 per cent last year and the indications are that those hotels at the very top end of the market did even better.

The news on receipts may not, however, be quite as good. For the past two years the nation's hoteliers, including those in London, have not succeeded in edging up room rates in line with inflation. On top of that, there has been extensive discounting.

At the moment it looks as if 1983 might see the prices published by hoteliers in their brochures and the prices actually paid by the average customer, come much closer together.

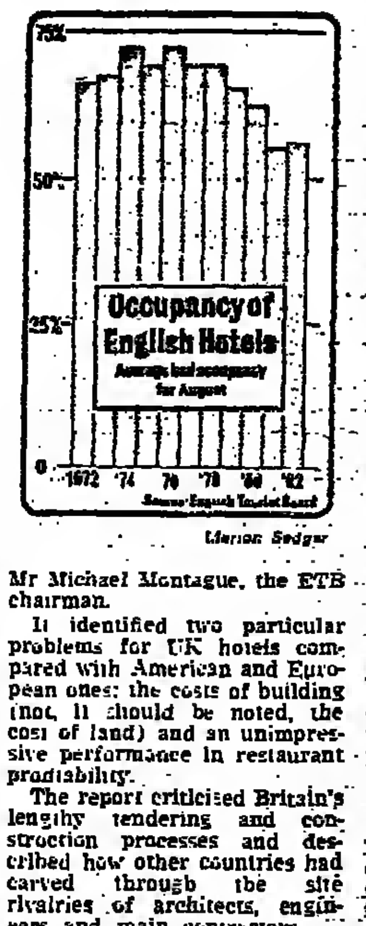
Certainly the Park Lane managers say to a man that they are much more able to achieve something near the published price (some say they never have discounted).

In theory, a hotel with 100 rooms officially priced at £100 a night each should get £10,000 when full. In fact, regular-corporate customers, airline crews, tour groups and hotel staff all get special rates. Bookings that come through travel agents also attract commission.

On a published rate of say £80 per room, to achieve average real revenue of £65 would be pretty good going. The Park Lane leader over the past few years has been the Canadian-owned Inn on the Park. Last summer a careful non-group shopper could have got £5 off the Savoy's £76 official price, £7 off the Intercontinental's £69 and as much as £12 off *the Dorchester's £75 for a* single room.

A major problem for the *London hotelier is that his basic* costs appear to be considerably higher than is the case in other major cities. This was the finding of a report prepared for the London Tourist Board by Pannell, Kerr Forster. The report, which was frank about the apparent pricing problems of *the British hotel business led a* waspish private exchange between THF's Lord Forte and Mr Michael Montague, the ETB chairman.

> Signs that 1983 could be a boom year for Britain's hard-pressed hotel industry are borne out by occupancy rates at some of London's luxury hotels. But there is little cheer so far for seaside hoteliers



Marion Sedgar

It identified two particular problems for UK hotels compared with American and European ones: the costs of building (not, it should be noted, the cost of land) and an unimpressive performance in restaurant profitability.

The report criticised Britain's lengthy tendering and construction processes and described how other countries had carved through the site rivalries of architects, engineers and main contractors.

It also pointed to site rules in Britain which limit a London hotel developer, like his Paris counterpart, to a floor area between two and five times his site area. A New York hotelier can go up to 15 times the site area and sometimes even up to 30. This puts the relative land cost firmly in New York's favour — land for a London room is currently estimated at around £20,000, but perhaps *£2,500 less in New York.*

Moreover, the average five-star hotel in London can expect to attribute 43 per cent of its average costs per room to catering. *But catering provides only* 12 per cent of profits. In New York the comparable figures are 33 per cent of costs and 16 per cent of revenue.

The ETB view seemed to be that European hoteliers generally should pull out of the food business as much as possible—a conclusion bound to irritate Lord Forte, with his huge *catering interests*. The report noted that British and European hotels seemed to want restaurants that reflected the high standards elsewhere in their establishments "rather than possibly adopting a fast food approach or even contracting out the catering operation."

This sort of advice would go down like a lead balloon in the Savoy, whose revamped restaurant and elegant grill are still pretty busy spots, or at the Dorchester where chef Andre Mossiman is trying to take away the Gavroche's lead in the Michelin league as the best restaurant in Mayfair. Indeed, the hoteliers of Park Lane seem to be spending more money on restaurant facilities, rather than less.

The leading investor in a multiplicity of restaurants in London hotels is in fact the American-owned Hilton. It now boasts five restaurants when two is the norm on Park Lane. For sheer spending, however, the prizes probably go to the Dorchester, whose new restaurant and piano bar area was part of a massive refurbishment reportedly costing £5m plus, and the Grosvenor House where Lord Forte's team have been working hard to make the Park Lane frontage a high spot of West End dining.

All the hoteliers on the strip echo the apparent views of operators in the U.S. and Europe in believing that customers are less and less eager to venture into town, and want everything they need within the walls of the hotels — a view totally at odds, it seems, with that of the ETB and its researchers.

Five years ago Park Lane was a quietish spot in the evening. Now the whole Lane echoes with the sounds of piano bars and late night dining.

If the *present upturn* in U.S. visits to the UK continues, then the pianos may play louder and the diners stay even longer. For the moment there are a great many crossed fingers. "Prospects for 1983 are encouraging," says Sir Henry Marking, British Tourist Authority chairman. "But it is much too early to throw our hats in the air and start shouting hooray." Perhaps Sir Henry is being overcautious. Analyst Melvyn Greene reckons that already the signs are sufficient to suggest that 1983 could be "a boom year for the hotel industry."

Whether that boom will extend beyond London and the traditional upmarket areas of Stratford-upon-Avon, Oxbridge and Edinburgh remains to be seen.

At the other end of the scale, the seaside hotels which rely on British domestic and low-budget European custom, the signs are not so bright. The fact that the French had both devalued again and slapped on currency controls was hardly the most cheering news for resort hoteliers who look across the Channel for much of their custom.

If Britain's seaside hotels see average bedspace occupancy of 33 per cent this year they will be extremely fortunate, and the lower-priced establishments will be lucky to top last year's 30 per cent. "The Americans are coming" may be the cry in Mayfair, but back on the beaches the tide of custom may still be running in the wrong direction.

Weekend Brief

The man behind the £500,000 reward

Robert Gordon, the man who is offering the biggest reward in the history of crime, tapped his head and said, "the idea came from here."

He is the man who is prepared to pay out £500,000 for information which will lead to the arrest of those who have taken £7m from Security Express, the security firm, in Britain's biggest robbery—five tons of bank notes.

I found him in his office on the sixth floor of the Corn Exchange building in the heart of the City, poring over copies of the Daily Star, the Daily Mirror and the Sun where the reward notice was due to appear.

He looked up. "Their readers are the type of people who can help me," he said, "rather than readers of the Daily Telegraph, Times or Financial Times," quickly adding that "no disrespect is intended."

Gordon looks an unlikely crime buster. He is a dapper 64 and has worked since 1936 at Lloyd's, the insurance market, where he is an underwriter. His father was also a Lloyd's man.

"I insure cash in vehicles and cash in vaults," he said and he is *the underwriter who had led* the Lloyd's insurance market on the Security Express account.

The reward is not the normal 10 per cent of the value of the stolen property," because at the time I thought of the amount, we did not know how much had been stolen. We still don't. I thought the loss was going to be £5m. So I decided on £500,000. Had I known the loss was going to be over £7m I would have still chosen £500,000 as an appropriate figure."

Mr Gordon and his fellow underwriters believe that it makes more sense to pay a reward of £500,000 which would lead to a recovery of the stolen money, rather than pay out £7m or so in insurance claims made against underwriters by Security Express.

"The reward will only be paid if I get a recovery," he said, "and of course I could get a recovery without the reward being paid. I would not pay any reward without consulting the police."

It is the largest reward he has ever offered, although he could not easily recall the last time he had to make such a gesture. He intends to make disbursements only if the police recommend it. "I will be as fair as I can."

Gordon has a nice line in self deprecating humour. "Have you read this?" he asked showing me a hardback book called *All I know about insurance*, a tome where he appeared to be the author. He opened it. It was full of blank pages.

But underneath the charm he has a professional enthusiasm for his job as underwriter at the C. I. de Rougemont and Company underwriting agency. He also sits on a number of crime prevention committees. Of the reward system he says: "It can loosen tongues and can loosen the wrong tongues because of greed. The informer need not necessarily be someone who needs the money." He cited one example of somebody informing in a case because the person concerned was having an affair with the informer's wife. "Information does not necessarily come from somebody who lives under Charing Cross Bridge."

Gordon and *other* underwriters have recruited their own gumshoes—as is usual in these circumstances—in *the* form of loss adjusters, Robert Bishop. That firm is preparing a report for underwriters on the loss. Had Gordon been to the scene of the crime? "I don't go out of the premises. I use a loss adjuster. There is nothing to gain by it."

If there is any payout it will be shared around the other underwriters which have insured the risk. The cost will not be borne by Gordon alone. The 200 or so wealthy individuals which form the syndicate at Lloyd's, where Gordon accepts business on their behalf, will also bear the cost along with other Lloyd's syndicates who have insured a part of the Security Express business.

"I welcome losses," said Gordon, "they make more people insure."

Changing pattern of Britain's big robberies

With every attempt by the Exchequer to plug the loopholes in the laws permitting legal tax evasion, specialists try to find another weakness in the barrier and usually find one. In an illegal sense, this is what criminals have achieved *this* week with the £7m robbery from the Security Express depot in London.

The security companies, together with the police and a network of informants, have been successful in recent years in reducing the number of successful attacks on cash vans on the roads. Cash grab attempts have increased instead at customers' premises, where the money is handed over.

A Fleet Street newspaper was a recent victim of this type of crime, and obviously security precautions are being tightened up at all organisations where large amounts of cash are delivered regularly.

A Security Express van being unloaded.

This week's £7m haul is the first robbery from a security company's depot in Britain and it indicates a possible change in tactics by organised crime. The major security companies involved in cash transport—Securicor, Security Express, Group 4, Mint Security, Armourguard and PPR Security—are now overhauling the robber-proof arrangements at their own *depots, where many van loads* of cash are often stored overnight, during weekends and over *long Bank* holidays.

Mr John Wheeler, MP, director *general of the British* Security Industry Association, says that there are "six or seven" London *depots* of security companies where cash is held in vaults. Throughout the country there are many more. Securicor, the leading security company, for example, has between 50 and 60 purpose-built depots in Britain, although many are not money-holding buildings.

Any master criminal has only *to look at a* Securicor brochure to find how cash in bulk moves around the country in security vans. "The money moves from Royal Mint to banks, where it is collected for employers to pay their workforce. This is the first link," says the brochure.

"Wives of the workers spend part of that money in the High Street, and once again it is collected from the shops and returned to the banks—the second link." The brochure goes on to assure potential customers of the security of holding wages, shop-takings and other money overnight or over weekends in the vaults of some of its centres.

Mr Wheeler estimates that the security companies' vans carry annually between £70bn and £75bn of cash in nearly 2,500 high security vehicles. In simple statistical terms the robbery *represents only 0.0001* per cent of this total except that the £7m, if not stolen, would have been travelling to and fro many times a year.

If the robbers have started spending the money, some of it may have already returned to the circuit.

QPR may return to its grass roots

Terry Venables, former England footballer and now manager of Queen's Park Rangers, was co-author of a soccer novel called *They Used to Play On Grass*. That was some years ago. Now it seems that his club, *the only one in the* Football League playing on an artificial surface, may have to go back to grass.

QPR are almost certain to go into the First Division next season. Their synthetic pitch, installed at Loftus Road, West London by Omnisport at a cost of £200,000 has paid off for QPR. The Football League gave the go-ahead to QPR's experiment for three seasons. At the end of next season a lot of clubs are expected to gang up on QPR to insist they go back to real grass. Though there is nothing in the rules of soccer to say that the game must be played on grass, the League has added Regulation 65 to its statute book — "*Matches must not be played on synthetic or artificial surfaces without prior written approval of the management committee after full consultation with all member clubs.*"

But the problem does not end there. Supposing QPR goes from *success to success in the* First Division next season and qualifies for European competitions, foreign clubs would refuse to play on the synthetic turf and home games would have to be played on another London pitch has got QPR cruising into Division I. It helped them to the Cup Final last year for the first *time in* their history and they were unlucky to lose. So clubs object to it! But how different is it from doctored wickets in cricket or the kind of grass grounds we sometimes have to play away games on, grounds that distinctly favour *the home club?*"

As it happens, QPR's away record in the past season has been pretty good, too. But some opposing clubs say that the ground they practise and play at home on — giving the ball an entirely different bounce than on a *grass surface* — gives them an unfair advantage.

The controversy is a slight setback to companies like Omnisport, making and marketing artificial sports surfaces, particularly in countries where QPR has never had to postpone a home game in the two difficult winters since the artificial pitch was installed.

What will be the outcome? The Football League is playing things close to the chest. "There will be full discussions when the three-season trial period is over," a spokesman said. "And clubs will give their opinions."

Meanwhile, companies like Omnisport continue selling — it has *just signed a deal for the* first synthetic golf courses in the U.S. and expects the major golf authorities to accept them. And it hopes for a growing market in the Gulf States where it might some day be said: "They used to play on sand."

Contributors:
John Moore

Economic Diary

TODAY: Democratic Unionist Party conference, Belfast.

TOMORROW: Mr Francis Pym, Foreign Secretary, starts visit to Abu Dhabi (to April 12).

MONDAY: Banking Insurance and Finance Union conference opens, Blackpool (to April 13). Royal College of Nursing conference opens, Bournemouth (to April 15). Manpower Services Commission statement on strategy for adult training. National Economic Development Council meets, Millbank, SW1. European Parliament session opens, Strasbourg (to April 15).

TUESDAY: Building societies' monthly figures for March. Provisional figures of vehicle production in March. Audit Commission statement. Sir Geoffrey Howe, Chancellor of the Exchequer, speaks at Westminster Chamber of Commerce lunch, International Hotel, W1. Breakaway railmen's union, Federation of Professional Rail Staff, elects leaders. Second reading of Miscellaneous Financial Provisions Bill in the Commons. European Parliament debates European summit and human rights in the Soviet Union.

WEDNESDAY: *Central Government* transactions, including borrowing requirement for March. Fourth quarter index of industrial production for Wales. Energy Industries Council two-day conference on energy in the year 2000 opens in Brighton. Future financing of the EEC debated at European Parliament. Mrs Margaret Thatcher at Newspaper Press *Fund* reception, Guildhall.

THURSDAY: UK banks' assets and liabilities and the money stock in mid-March. London dollar and sterling certificates of deposit for mid-March. National Union of Mineworkers' executive meets, London. Mr Francis Pym, Foreign Secretary, speaks at American Chamber of Commerce lunch, Hilton Hotel, W1. Mr Helmut Kohl, West German Chancellor, meets President Ronald Reagan for nuclear arms talks, Washington. Second reading of Finance Bill, and debate on NHS dental and optical charges, Commons. European Parliament debates consumer and environment questions, including lead in petrol.

FRIDAY: February provisional index of industrial production. Usable steel production in March. Fourth quarter final figures of finished steel consumption and stock changes.

Lyle Shipping plunges to £4.8m losses: cuts payout

FOLLOWING A fall from operating profits of £4.88m to losses of £3.9m by the shipping division and a £3.4m provision against future losses, Lyle Shipping plunged to taxable losses of £4.79m in 1982, compared with profits of £6.71m.

The final dividend is being cut from 5.5p to 3p net per 25p share making a lower total of 7.5p (10p). Losses per share are given as 51.8p (75.9p earnings) on a net basis.

The directors say recovery of the shipping division's results depends wholly on an increase in freight rates but unfortunately delivery of new bulk carriers from the world's shipyards continues at far too high a level throughout 1983. These ships were ordered against expectations of a boom in coal shipments which has not yet happened.

At the same time the world recession became more severe and many ships have been laid up for lack of profitable work they report. Much of the problem for dry bulk shipping has been caused by the reduction in steel output worldwide.

Although there are some signs of a recovery in the world economy helped by the fall in oil prices, and industrial output is beginning to rise again, the overhang of laid-up ships and new buildings will delay the benefits for the company's type of ship.

The directors cannot, therefore, see any substantial recovery in freight rates taking place in 1983, but would expect to see an upturn in 1984. History shows that when the upturn comes, it can be swift and sudden they comment. Ship values are likely to rise in advance, and indeed since the year end a substantial improvement has taken place.

Turnover slipped from £26.49m to £24.19m. After tax of £259,000 (£123,000 credit) and minorities of £57,000 (£12,000), the attributable losses came to £5.13m (£6.8m profits).

Operating losses of £1.33m (£6.96m profits) were made up of: shipping losses £3.9m (£4.88m profits); insurance broking profits £49,000 (£100,000); group finance profits £872,000 (£663,000); associate companies' off-shore services profits £1.55m (£1.17m); and ship broking profits £100,000 (£154,000).

● comment

Lyle's slump from £6.8m profits to £4.7m loss on an HCA basis (no inflation-adjusted figures are provided) appears to be of dangerous proportions. The total transfer from reserves amounts to 15.6 per cent of net asset value, accepting that the 1981 revaluation of the company's 12 ships is a fair one today, as the management claims. But in fact the pre-tax loss is made up primarily of a £3.4m provision against future losses, even though most of the losses are likely to come from ships chartered out at spot market rates rather than on long-term contracts. The finance director is not prepared to say how the provision will be written back over the next two to three years. No information has yet been disclosed on the state of the balance sheet except that borrowings increased substantially in the second half of 1982, with the mounting losses, payment for the delivery of a Brazilian ship (ordered in 1979) and progress payments on two other ships whose delivery has been delayed until 1984-85. Most of the debt however is in the form of bank term loans lasting for eight years and more. The share price yesterday fell 3p to 182p where the historic yield is 6 per cent. Assuming that there has been a 40 per cent rise in the value of its ships since December — the management's claim — net asset value is 381p per share.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Arcolectric	0.3	—	0.5	0.55	0.5
Chepstow Racecourse	4	—	4	4	4
Clyde Petroleum	0.61	—	0.55	0.61	0.55
Dinkie Heel	0.25	—	0.2	0.4	0.45
J. E. England	0.44	June 10	0.44	0.88	0.88
Lyle Shipping	3	—	5.5	7.5	10
Nth. Brit. Canadian	3.6	—	3.35	5.35	5.1
Scottish Met. Prop. int.	1.5	—	1.36*	§	3.18*
Senior Eng.	0.75	June 1	0.75	1.5	1.5
George Wills	5.5	—	4	8	6

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM Stock. § Final of 2p foreast.

Senior Engineering 13% ahead at year end

DESPITE A downturn in second half pre-tax profits, from £2.64m to £1.78m, full year figures of engineering products concern Senior Engineering Group to December 31 last, finished ahead at £4.53m, compared with a previous £4.02m, a 13 per cent rise.

At the interim stage, with profits well up at £2.75m (£1.38m), the directors said that results showed a strong recovery but world recession was having a greater impact overseas and in recent months there had been a renewed downturn in demand. They added that deterioration was having an adverse effect on certain subsidiaries causing them to make further economies.

They now explain that the impact was particularly severe on the Phoenix Steel Tube Company which incurred a substantial loss in the second half of the year.

Turnover for 1982 rose from £68.53m to £77.35m and with a same-again final dividend of 0.75p net per 10p share, the total is maintained at 1.5p. After tax of £2.08m (£1.51m) earnings per share are shown as 2.88p, against 3.15p.

Trading profits amounted to £5.08m (£4.67m) and the pre-tax figure was after exceptional charges—production rationalisation costs—of £196,000, compared with £266,000, and net interest of £356,000 (£389,000).

After the tax charge, and an extraordinary debit of £785,000 (nil)—factory closure costs—the available balance came through lower at £1.66m, against £2.51m.

● comment

After nearly doubling pre-tax profits at the interim stage, Senior Engineering forecast tough times ahead as a renewed downturn in UK demand began to bite and recession deepened overseas. Nevertheless, the market was disheartened by the 12.7 per cent increase in 1982's pre-tax figure and the shares drifted down 2½p to 26½p. The surprise was the collapse of the steel tube market in the second half, which led to substantial losses at Phoenix, underlining the timeliness of the Tubeman closure. While the acquisition of Penn Machine in the U.S. is the group's third major purchase there, it is also in line with the strategy on which Senior's growth in the 1970s was based of acquiring and improving new companies. If Penn returns to its previous profit levels, it should contribute £500,000 net of finance charges to group profits in the current year. However, analysts foresee little growth in overall profits in 1983, as any recovery in the U.S. is likely to be offset by uncertainties in the light engineering and steel tube markets, which together account for an estimated half of sales. On a maintained dividend, the shares yield 8.3 per cent.

Clyde Petroleum £0.5m in red

PROFITS from operations at Clyde Petroleum were much higher at £2.03m, against £1.28m, but a jump in exceptional interest charges, from £174,000 to £2.54m, has left the group £511,000 in the red for 1982, compared with profits of £1.1m

The increase in profits from operations arose from the first significant contribution from oil and gas operations in Ecuador and the U.S. The directors say that the first contribution from UK oil and gas production will follow payout of the 12.71 per cent net production interest in the North Sea Buchan Field, which is expected in the first quarter of 1983.

The exceptional interest charges for the 12 months relate to the borrowings of U.S.$30m made in connection with the acquisition of the Buchan net production interest, which was *not* income-producing in 1982.

Turnover for the year rose from £24.1m to £31.35m and the dividend is stepped up from 0.55p to 0.605p net per 25p share. Loss per share is given as 1.4p, compared with earnings of 0.25p last time.

Tax charges amounted to £812,000, against £582,000, but there were unrealised exchange gains for the period of £1.75m (£1.32m). After minority interest credits, £280,000 (£409,000 debits), and an extraordinary credit of £740,000 (£1.35m debit), there was an attributable profit of £1.45m, much higher than the previous year's £81,000.

Referring to the announcement yesterday by Saxon Oil of the company's decision to withdraw from the merger with Clyde, the directors of Clyde say they believe that its offer for Saxon is generous, which, when agreed with the Saxon board, specifically accounted for the possibility of a commercial oil discovery in Block 16/8b. No information on well 16/8b has been made available to Clyde or other Saxon shareholders which could justify a change in terms previously agreed, they state.

The benefits of the merger, recognising the possibility of a commercial oil discovery, were fully explained by Saxon's chairman in his letter of recommendation, directors point out.

On the basis of Clyde's share price on April 7 the offer values each Saxon share at 121.5m. This compares with Saxon's share price of 60p on the day preceding that on which the merger was announced — March 8 — an increase of over 100 per cent.

Clyde believes that in the absence of the offer the Saxon share price "would fall significantly below that level."

The Clyde board and its financial advisers, Morgan Grenfell and Co continue to believe that the offer "fully values Saxon and its prospects, and urge shareholders to accept the offer as soon as possible."

Results due next week

Despite general depression in the engineering sector, Northern Engineering Industries should match its first-half profit improvement for the full year to December 31, according to stock market analysts. On this basis, forecasters are predicting pre-tax profits of around £40m for 1982 against £33m in the previous year. Following the increase in the interim payout to 1.5p (1.38p), a slight rise in the year's dividend to 4.5p (4.13p) is expected. The bulk of the expected profit improvement should come from the UK, with a first-time full year's contribution from Amalgamated Power Engineering counting for roughly half the advance. Elsewhere, the South African and Australian businesses are believed to have held up well. But the North American companies—which chipped in £8.8m in 1981—are likely to have a significantly lower contribution last year. Extel, a problem area in the first half, may well have increased its losses as the year wore on.

A widespread fear in the market that Rio Tinto-Zinc would announce a dividend cut when the 1982 results are released on Thursday, seems to have subsided. Profit forecasts remain generally gloomy, but analysts now believe that the previous year's 16p total payout will be repeated. Despite a second-half improvement in a number of RTZ's mining operations, the market remains very cautious and year-end net profit forecasts range between £65m and £86m. Although mining interests have been generally depressed against a background of soft metals prices and weaker demand, the important Australian arm, CRA picked up significantly in the year's second half, swinging from a first-half loss of A$29.2m to a net profit in the second half of A$15.6m. That left a net loss for the year of A$13.6m (1981 profit A$33.1m). Palabora was strong, despite the low copper price, but depressed uranium prices and contract problems following political uncertainty in Namibia have continued at Rössing. Hamersley showed a second-half improvement *as did* Bougainville on the back of last year's gold price rise; industrial interests, including Borax, have suffered from the recession, but currency movements have been generally favourable for RTZ. The interest factor is an important unknown variable.

Forecasts for Glaxo's interim results to December, which are due on Monday, have been uprated substantially over the past few months to between £87m and £92m at the pre-tax profit level. Financial considerations are important as usual, and with much of the company's cost base in the UK, profits have been boosted by low inflation and the falling pound, primarily because of translation effects rather than increased exports, which will show up only in the second half. But the underlying trading position in pharmaceuticals has also improved by perhaps 30 per cent over 1981. Ranitidine's share of the anti-ulcer market *has soared throughout the world*, but most notably in Italy. Launch costs in West Germany will have kept profits down there, but sales of all products have risen by 50 per cent in the recently-penetrated U.S. market. Other products such as the anti-asthmatic, Ventolin, and the cardiovascular Trandate have also made a major contribution to the increase in turnover. A lifting of the dividend perhaps by 20 per cent, is also anticipated, in expectation of a *year-end pre-tax profit figure of* £200m plus.

Recession in the Australian construction industry means Rugby Portland Cement is unlikely to repeat the first half's record performance when it announces its final figures on Monday. Cockburn's figures — which provided the backbone of the interim's 27 per cent increase in pre-tax profits—were in any case distorted by the effects of Australian labour disputes in the previous year. Nevertheless, analysts are predicting a 21 per cent pre-tax increase to £22.5m on the back of greater use in the UK of the more fuel efficient semi-wet cement making process, which now accounts for around 1.8m tonnes of capacity, and cost savings from the July closure of inefficient plant at Rugby. The group should also benefit from the higher than expected 4.4 per cent increase in the industry's cement volumes and looks set to have at least maintained its market share. The *directors have indicated* that they intend to repeat the 10 per cent increase in the interim dividend at the final stage, which would give a total of 5.5p net.

An increase in profits to about £28m is forecast for Taylor Woodrow, the international construction and engineering company, when it reports final figures for the year ended December 1982 on Tuesday. The UK construction industry should show modest progress but Canada and Nigeria have caused some concern. Payments from completed contracts continue to come through, so despite tight margins and worries over future contracts, analysts expect to see growth from last year's £25m. The interim dividend was increased to 5.5p net from 3.2p, to reduce the disparity between the interim and final, and analysts predict a lower final of about 12.5p per share, compared with 13.2p, although this still leaves the total up on last year.

Other companies reporting next week include **Highland Distilleries** (interim, Monday), **Smiths Industries** (interim Tuesday), the **Gill and Duffus** group, **Empire Stores**, **Burmah Oil** and **Rockware** (all year-end, Wednesday) and the **Associated British Ports** and **London Brick** (year-end Thursday).

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Air Call	Tuesday	1.85	3.75	1.85
Anchor Chemical Group	Monday	1.0	2.0	1.0
Ash and Lacy	Thursday	8.0	8.0	8.0
Associated British Ports	Thursday	—	—	—
Astbury and Madeley (Holdings)	Wednesday	1.0	4.0	1.25
Barton Group	Monday	1.0	1.4	1.0
Beauford Group	Thursday	0.7	1.4	1.4
Blackwood Hodge	Friday	0.5	0.75	0.5
Bowthorpe Holdings	Tuesday	1.521	1.894	1.673
British Mohair Spinners	Wednesday	0.96	3.04	0.96
Brook Street Bureau	Tuesday	—	0.1	—
Brown Boveri Kent (Holdings)	Thursday	—	—	—
Burmah Oil	Wednesday	1.5	7.0	1.5
CASS Group	Thursday	—	—	—
Dewhurst Dent	Friday	—	—	—
Dewhirst (I. J.) Holdings	Wednesday	0.3	0.7875	0.35
Edinburgh Securities	Monday	—	0.15	—
Empire Stores (Bradford)	Wednesday	1.2	1.35	—
Expamet International	Tuesday	2.0	2.5	2.0
Finlan (John)	Wednesday	3.0	3.25	3.0
General Investors and Trustees	Thursday	1.25	2.05	1.25
Gill and Duffus Group	Wednesday	3.5	4.5	3.5
Green's Economiser Group	Thursday	2.875	2.875	2.875
Harrison (T. C.)	Thursday	0.92	2.18	0.92
Hestair	Thursday	1.0	1.0	1.25
Howden-Stuart Plant	Wednesday	0.475	0.8	0.475
House Property Company of London	Thursday	1.5	4.5	1.5
Higgs and Hill	Wednesday	2.5	4.0	3.25
Huntleigh Group	Wednesday	0.8	0.9	0.8
Hunting Petroleum Services	Friday	2.25	5.25	2.25
Johnston Group	Tuesday	2.0	2.0	2.0
Lamont Holdings	Tuesday	0.4	0.8	0.4
Leyland Paint and Wallpaper	Friday	0.75	0.75	—
London Brick	Thursday	1.7342	3.1584	1.951
Martin (Albert) Holdings	Thursday	0.1	—	0.75
Miller (F.) Textiles	Friday	1.0	3.44	1.1
Morgan Crucible	Thursday	3.5	4.0	3.5
Newarthill	Thursday	[illegible]	[illegible]	[illegible]
Queens Moat Houses	Monday	0.55	0.55	0.605
Quick (H. and J.) Group	Tuesday	0.53	0.92	0.53
Reed (Austin) Group	Thursday	0.9	2.46	1.0
Rio Tinto-Zinc Corporation	Thursday	5.5	10.5	5.5
Rockware Group	Wednesday	—	2.1	—
Royal Worcester	Wednesday	2.9	5.7	2.8
Rugby Portland Cement	Monday	2.35	2.65	2.6
Scottish Television	Friday	1.75	5.25	2.1
Solex	Tuesday	—	0.1	—
Spencer (George)	Wednesday	0.1	—	0.1
Taylor Woodrow	Thursday	3.15	13.157	5.5
Wilson (Connolly) Holdings	Wednesday	1.25	1.75	1.4
INTERIM DIVIDENDS				
Adwest Group	Friday	2.1	6.15	
Bryant Holdings	Monday	0.5	1.5	
Dowding and Mills	Thursday	0.78	1.09	
Emess Lighting	Tuesday	3.0	4.5	
Glaxo Holdings	Monday	2.25	4.75	
Halstead (James) Group	Monday	1.0	1.4	
Highland Distilleries	Monday	0.88	1.98	
Kalamazoo	Wednesday	0.82	1.67	
Kent (M. P.)	Thursday	0.36	0.9	
Linread	Friday	—	1.0	
Low (Wm.)	Thursday	2.1	5.9	
Lowland Investment	Friday	1.9	2.9	
Mertonair International	Thursday	1.95	6.05	
Peters Stores	Thursday	—	0.5	
Scottish Cities Investment Trust	Tuesday	4.0	8.5	
Smiths Industries	Tuesday	4.0	7.0	
TSW—Television South West Holdings	Monday	—	0.9	
Tyzack (W. A.)	Monday	—	—	
United Ceramic Distributors	Thursday	1.0	2.5	
Ulster Television	Friday	3.3	3.5	
INTERIM FIGURES				
Barry Trust	Friday			

ing single-ply aramid fabric, steel cord carcass and solid woven carcass. Also included in ... awarded three contracts in the London area, worth £2m. A con- ... together with welfare areas, and ... in capacities up to 250 tonne for

BIDS AND DEALS

Riley £6.6m offer for Leisure Inds.

BY DAVID DODWELL

Riley Leisure, the snooker table, snooker clubs and keep fit equipment group, yesterday revealed an agreed bid for Leisure Industries worth £6.6m.

On the basis of two Riley ordinary shares for each Leisure ordinary share, the bid valued Leisure shares at 330p. However, Hill Samuel has offered a cash alternative for up to 50 per cent of the shares taken up on the basis of 145p for each Riley share—valuing Leisure shares at 290p. Leisure shares closed yesterday up 10p at 300p, while Riley shares fell 3p to 162p.

The board of Leisure Industries, which makes small snooker tables, keep-fit equipment and wooden toys, is recommending that shareholders accept the offer. They, with family trusts have undertaken to accept, and account for almost 52 per cent of Leisure's share capital.

Riley chairman Mr Alan Deal said yesterday that for an "expansion minded" company like his own, the likelihood of future competition between the two companies was high.

An acquisition at this stage, however, allowed both groups to benefit from strengths of the other, he said.

For Riley, which was beginning to expand into the manufacture of small snooker tables, it allows a more rational growth. Leisure has much stronger links with retail shops, and with mail order outlets. Riley expects to take advantage of this.

He noted that products like Leisure's cues, which carry the name of Steve Davis, and will soon also carry the name of a second snooker star, Tony Meo, also have a strong market which Riley can take advantage of.

Mr Deal insisted that rationalisation would not lead to job losses. Interest in snooker is booming, he said, and both Riley and Leisure were working at full capacity to meet demand.

Riley said that once the offer is unconditional, Mr Leopald Holzer and Mr Aubrey Loze, respectively chairman and deputy chairman of Leisure, will join the Riley board.

News of the bid coincided with profit figures *from* Riley, which reflected strong growth over the past year and a half.

Pre-tax profits for the 17 months to December 31 1983 were £1.4m, with a turnover of £15m. In the 12 months preceding that, profits of £723,000 had been generated on a turnover of £8m. A final dividend of 1.5p makes a total for the year of 5.6p.

Mr Alan Deal, chairman of Riley Leisure, "an expansion minded company enjoying a boom in snooker interest"

Strongest growth came in snooker manufacture, which rose to £473,000 from £100,000 in the previous period, which is not easily comparable. Earnings from clubs also improved to £912,000 from £485,000.

Riley's difficulties remained in the area of furniture manufacture, where profits slipped from £101,000 to £26,000, and in games manufacture, which stagnated at £11,000. Riley's 50 per cent owned Canadian associate also faced difficulties, reporting a £35,000 loss.

Difficulty in comparing figures for the two periods was compounded because earnings from club activities were boosted during the final seven months of the latest period after the purchase of the Luciana chain of snooker clubs based in London and the south-east.

Earnings from keep fit activities came in only the final two weeks of the period under review, but Mr Deal predicted this area would make a strong contribution *to* profits in the year ahead.

It was estimated that the group profits of Leisure Industries were in the region of £685,000 for the year to March 31, 1983. On this basis, analysts were predicting yesterday a combined profit for the current year of between £2.4m and £2.7m.

Hanson Trust sees over £75m

Hanson Trust, the industrial holding group, yesterday forecast a pre-tax profit of not less than £75m for the year ending September 30, an increase of 24.2 per cent on last year's record £60.4m.

This forecast, which was in line with City expectations, was included in the formal revised offer for the UDS retailing group which was posted yesterday.

Unaudited pre-tax profit for the first five months ended February 28 showed a £10m increase to £28m. This figure includes a full contribution from both British Ever Ready and United Gas Industries

Sir James Hanson, Hanson Trust chairman, noted in his letter to shareholders that profits and earnings per share had increased over each of the past 19 years without a break. "We do not believe this record has been surpassed by any other major listed UK company," he added.

Hanson said it had also increased its distribution to shareholders every year for 19 years with dividends growing on average by over 20 per cent a year in the past decade.

The company has already forecast that it intends to recommend dividends on the increased share capital for the 1982-83 year at a rate at least 20 per cent higher than for the previous year.

An investment in Hanson shares has appreciated in value by 430.8 per cent over the past five years compared with 100.7 per cent rise of the FT All Share Index and a 71.3 per cent increase in the retail price index, the company said.

UDS shareholders are offered five Hanson ordinary shares and 160p cash for every eight ordinary UDS stock units, equivalent to 136.25p per stock unit at Thursday's closing price for Hanson of 186p. There is also a cash alternative offer of 133.5p per stock unit. Closing date for the offer is April 22.

Causton buys Headway Publications

Lithographic and letterpress printer and stationer Sir Joseph Causton & Sons has acquired 75 per cent of the issued shares of Headway Publications.

Headway's principal publication's, each of which is under contract, are two monthly magazines, High Life and Executive World, both published for British Airways, and a *bi-monthly magazine*, Moneycare, for National Westminster Bank.

In the year to December 31 1982, Headway made taxable profits of £188,141.

The vendors, who built up and developed the business which they started in October 1977, have retained a 25 per cent shareholding, and will continue to manage the business.

The consideration is to be 75 per cent of five times the audited pre-tax profits of Headway for 1983 limited to a maximum of £1.5m. At completion, a payment of £705,529 was made, equivalent to 75 per cent of five times the pre-tax profits for 1982. This represents the minimum payable.

Habitat has 89% of Heals

BY ROWENA WHELAN

Habitat Mothercare's offer for the quality furniture group Heals and Sons had been accepted by 89 per cent of the voting shareholders by yesterday's first closing date.

Some 95 per cent of ordinary shareholders and 67 per cent of preference shareholders accepted Habitat's offer which valued Heals at £4.8m.

Habitat now owns Heals flagship store in London's Tottenham Court Road and with it access to the top end of the furnishing market associated with the old family run Heals name.

At an extraordinary general meeting of Heals yesterday, resolutions to approve a reorganisation of the share capital; to reduce the cost of the takeover, were passed. The offers have now become unconditional and will remain open until further notice.

Holders of about 60 per cent of the ordinary shares also elected to receive consideration in the form of loan stock in Habitat, which requires the issue and allotment of £1.5m nominal of convertible loan stock. That alternative is now closed.

The deal comes a year after Habitat bought Mothercare and forms part of chairman Sir Terence Conran's policy of establishing a stores group with appeal across a wide age range.

Heals and Habitat will keep their individual identities, with Heals as an independent subsidiary with a continued family presence on the board.

Heals had been losing money for some time before the offer, which was for £38 in cash for every £1 ordinary share and £1 in cash for every 4.2 per cent cumulative preference share of £1. The alternative offer to cash for for £41 nominal of Habitat's 9½ per cent convertable loan stock for every two ordinary Heal's shares.

Habitat intends, if necessary and in due course, to acquire compulsorily any outstanding shares.

HOUSE OF FRASER

The two Lonrho representatives on the board of House of Fraser are attempting to put their own resolution before shareholders which will call for a demerger of the Harrods department store *from* the main Fraser group.

A resolution has been submitted to House of Fraser, which the two Lonrho representatives hope will be presented to shareholders at an EGM along with the present resolution by the main Fraser board recommending against a demerger.

Greenbank aware of no reason for probe

THE INVESTMENT trust at the centre of a Department of Trade inquiry, Greenbank Trust, said yesterday it was not aware of the circumstances which led to the investigation.

But the directors said they would give the inspectors every assistance.

In the meantime arrangements have been made for the audit of the company's financial period ending March 31 1982 to be completed. "The directors regret the delay which has occurred in auditing and distributing the accounts for this period," said the group. "This has been partially due to certain *difficulties* encountered in placing a value on some of the company's assets."

Negotiations are continuing for the acquisition of "some substantial property assets on favourable terms. The directors hope to be able to announce details of these acquisitions shortly, and to follow with a circular to shareholders setting out the full details of the acquisitions and seeking their approval in a general meeting. The directors, in the meantime, will be keeping shareholders informed of all developments."

The group made its statement yesterday, 24 hours after the Department of Trade announced it was appointing inspectors to probe the affairs of the firm under section 165 (1) (b) of the 1948 Companies Act. This empowers the department to investigate if there are irregularities in the operation of a business.

HABIT ENGINEERING

Habit Precision Engineering has, through a newly-formed subsidiary, purchased the trading assets of Culver Diamonds from the receivers, Binder Hamlyn and Company. The new subsidiary, to be named Culver Diamond Products, paid £22,650 for machinery and stock, and £1 for goodwill. The former managing director and former sales director have joined the new company as have several other employees.

Culver, which has a turnover of approximately £250,000, operates from trading estates in Lichfield.

BTR/TILLING

BTR acquired a total of 19.55m shares or just over 6.7 per cent of the equity of Thomas Tilling by Thursday.

"We bought some more shares today (Friday) and we intend to continue buying up to 14.99 per cent," Morgan Grenfell, the merchant bank which is advising BTR, announced.

EMAP/GO PLACES

East Midland Allied Press has issued 8,666 "A" (limited voting) ordinary shares to the previous owners of Go Places (Travel). These represent the balance of consideration monies due pending completion of the audited accounts of Go Places for the year to March 31 1982.

RESULTS AND ACCOUNTS IN BRIEF

J. E. ENGLAND & SONS (WELLINGTON) (produce supplies, food merchant)—Results for year ended January 1 1983: Turnover £4.7m (£8.57m): pre-tax loss £142,666 (£116,922 profit): tax credit £27,597 (£58,496 charge): extraordinary debit £146,318 (nil): loss per 5p share 2.34p (1.13p earnings): dividend 0.88p (same) with final 0.44p net.

JAMESONS CHOCOLATES—Results for 1982: turnover £7.5m (£6.56m): profits £700,000 (£613,000) before tax £327,000 (£288,000): attributable £373,000 (£330,000): dividend 5p (4.6p) with final of 3p: earnings per share 14.4p (12.7p).

SCOTTISH METROPOLITAN PROPERTY (property owning investment)—For half year to February 15 1983: net interim dividend 1.5p (1.36p adjusted for scrip): net revenue from properties £3.26m (£2.72m): other income £443,000 (£651,000): interest charges £314,000 (£325,000): administration expenses £318,000 (£268,000): pre-tax revenue £3.07m (£2.77m): tax £1.49m (£1.27m). Directors anticipate, with expected increase in profits, they will be able to recommend final dividend of 2p making 3.5p (3.18p adjusted).

CHEPSTOW RACECOURSE—Dividend 4p (same) for 1982. Turnover £624,000 (£560,000). Pre-tax profit £23,381 (£17,561), tax £9,000 (£9,900). Extraordinary debit £23,414 (credit £3,450). Earnings per 5p share 12.8p (8.9p). Comparison restated.

ROWLAND GAUNT (ladies' wear manufacturer)—Turnover £70,127 (£274,291) for six months to October 31 1982 compared with six months to December 1981. Loss on trading [illegible]

Results of this Ealing, West London-based computer company for nine months ended December 31 1982: Pre-tax profits £168,000; turnover £3.6m. Sales of the company's communications products, and software services continued to increase and subsidiary has expanded its market penetration and is operating with continued success.

E. UPTON AND SONS (department store operator)—For year to January 25 1983: dividend nil (same); turnover £6.14m (£5.83m): pre-tax losses £250,655 (£219,221): tax credit £125,000 (£118,186): extraordinary credits (£414,209) being profit on sale of freehold property £35,783 and surplus on revaluation of properties £378,426: during year ended January 1982 the treatment of bad debts written off amounting to £73,366 was incorrectly dealt with in the accounts which resulted in losses after tax being understated by £35,366, results therefore restated.

NORTH BRITISH CANADIAN INVESTMENT COMPANY—Final dividend 3.6p making 5.35p (5.1p) for year to February 28, 1983. Gross revenue £825,358 (£803,486). Earnings per 25p share 5.5p (5.51p). Net asset value per share 156.8p (135.1p).

GEORGE WILLS & SONS (HOLDINGS) (importer and exporter) — Results for 1982: turnover £92.5m (£75.6m): pre-tax profits £1.63m (£1.55m): tax £624,000 (£461,000): attributable £1.01m (£1.10m): retained £528,000 (£827,000): earnings per share 16.77p (18.03p): dividend 8p (6p) with 5.5p (4p) net final. Directors say trading in the last quarter of 1982 exceeded expectations

switches and neon signal lamps) — Results for 1982: Sales £4.28m (£3.78m): profits £101,000 (£119,000) before tax £51,000 (£48,000): dividend 0.55p (0.5p) net per 5p share with 0.3p final: earnings per share 0.75p (1.06p). Directors are budgeting for a 10 per cent sales increase during 1983. They say the company is in a strong position to compete in Europe and they look forward to steady expansion.

DINKIE HEEL (toe caps and footwear repair products)—Final dividend 0.25p making 0.4p (0.45p) for 1982. Turnover £1.82m (£1.57m). Pre-tax profit £125,000 (£94,000), tax £37,000 (£31,000). Earnings per 5p share 0.97p (0.71p). CCA pre-tax profit £76,000 (£47,000).

W. N. SHARPE HOLDINGS (greeting cards and publisher)—Results for 1982 reported March 4. Shareholders' funds £15.47m (£13.27m). Fixed assets £5.05m (£3.71m). Net current assets £10.08m (£9.73m). Decrease in net liquid funds £840,000 (£2.63m increase). Chairman expects trading results for current year to be comparable with those of 1982. Meeting: Bradford, April 28, noon.

ALBRIGHT & WILSON (chemical manufacturer)—Results for 1982 reported on March 1 1983. Shareholders funds £166.5m (£169.7m): net fixed assets £140.6m (£155.9m): net current assets £94.9m (£114m): cash surplus £39m (deficit £5.3m). Chairman says that figures in first two months show a modest improvement, but it is too early to forecast 1983 results.

RICHARD CLAY (book printer and [illegible]

capital £959,000 (£1.5m). Chairman looking forward to more acceptable levels of profitability. Meeting: 6/16 Huntsworth Mews, NW, April 27, noon.

BIFURCATED ENGINEERING—Results for 1982 reported March 18. Group fixed assets £3.54m (£3.6m): net current assets £4.04m (£2.59m): shareholders' funds £4.44m (£5.4m). Meeting, Aylesbury, Bucks, May 4 at noon.

EASTERN PRODUCE (HOLDINGS) (plantation, commodity and trading group)—Results for the year to the end of 1982 reported on March 15. Shareholders' funds £10.85m (£18.72m): fixed assets £13.12m (£14.38m): net current assets £1.27m (£1.03m): increase in working capital £1.4m (decrease £2.97m). Meeting: 5, High Timber St, EC, on April 25 at noon.

GREENFIELDS LEISURE — AGM told that group anticipated "satisfactory results" for year. Turnover in retail division had got off to a slow start but trade now showed signs of improvement and a good camping season was looked for.

WEEKS PETROLEUM (Bermuda-based exploration group)—Results for 1982 reported March 8. Total shareholders' equity US$88.41m (US$110.18m). Current assets $27.42m ($44.02m), including cash and cash equivalent investments $15.32m ($28.15m). Current liabilities $11.58m ($12.82m). Net oil and gas interests $81.69m ($50.8m). Decrease in working capital $15.34m ($22.46m increase).

BEATSON CLARK (glass container manufacturer) — Results for 1982 reported on March 16. Shareholders' funds £31.47m (£30.52m); [illegible]

of the value ... equity expressed as per cent ... is an indication of relative cheapness

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

On Tuesday, BTR instructed its brokers to offer just under 175p per share for a 14.99 per cent stake in Thomas Tilling. In the event, BTR fell some way short of its target and is thought to have acquired no more than 6 per cent as buying by third parties pushed Tilling shares above the price offered. BTR's share price has weakened to 428p, against 454p before the dawn raid was launched, reflecting a growing conviction that the company will make a full bid for Tilling in the near future. At 175p per share, a full bid would value Tilling at £510m.

Thermo Electron of the U.S. is to acquire full control of Peter Brotherhood, the loss-making UK machinery and power plant group, in a deal which values the latter at £610,000. Thermo, which already holds a 7 per cent stake in the company, is offering 13.5p per share cash for each Brotherhood share. The move immediately halved Brotherhood's market valuation, the shares falling by 13p to 13p.

Allied-Lyons expanded its US interests with the purchase of companies across America in the ice cream and bakery mixes sectors for a total of £6.7m cash. In August last year, Allied paid about £10m cash for Schonbrunn, a New Jersey-based coffee producer.

Saxon Oil withdrew its recommendation for Clyde Petroleum's £11.8m bid and has advised its shareholders to reject the offer. The revised advice follows the anticipated discovery of significant oil reserves in North Sea block 16/8b, in which Saxon has a 50 per cent stake. Clyde's offer currently values Saxon at 124p per share, but the Saxon share price, in light of the prospect of the oil discovery, is now outstripping the offer price by some 50p. Saxon has informed Clyde of its decision, but the latter has decided not to increase its offer.

Trumanns Steel, privately-owned stockholders, increased its contested bid for James Austin Steel by 10p per share to 87p: the original offer of 77p per share was rejected as totally inadequate. The James Austin board met yesterday to consider the bid, but will not respond until Trumanns issues its offer document early next week.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder
	Prices in pence unless otherwise indicated.				
Aberthaw Cement	707§	640	420	20.33	Blue Circle
Alpine Holdings	148	133	97	17.03	Kean and Scott
Andrsn Strthclyde	200*	196	179	94.83	Charter Cons
Anglo Met	90●	90	80	5.31	Atlantic Met
Austin (E.)	60*	66	50	2.54	Caparo Inds
Austin (James)	87*§	87	64	3.91	Trumans Steel
Boll and Simo	160*§	153	136	0.45	Fleming (J.)
Bilton (P.)	345§§	284	262	91.7	Trust Sec
Brotherbood (P.)	13½*	14½	26	0.61	Thermo Electron
Cope Allman	60*§	61	58	23.7	Dowable
Crest Intl	12½	10½	13	4.42	Kwik-Fit
Davenport Brewy	294½§§	296	246	23.56	Wolv Dudley
Dollands	37½*§	103	70	0.15	A. P. Ward and N. Fotlorman
Edin & Gen Insce	27	22	13	5.87	Mills & Allen Intl
Heal	£38	£36	£16	4.80	Habitat Mthrcare
Highgate Optical	23*	60	35	0.47	Exont
Jeavons Eng	78	72	62	4.37	Newman-Tonks
Leisure Industs	324	300	290	6.48	Riley Leisure
Rowan & Boden¶¶	60*	59	40	2.42	Firth (G. M.)
Saxon Oil	121½	185	66	18.26	Clyde Petroleum
Second City Prop	76½	72	60	18.02	Beazer (C. H.)
Steetley	203	221	153	124.1	Hopwrth Ceramic
Sumrie	65*§	85	70	0.95	Afcor Investmnts
Surmah Vly Tea	153‡‡	140	123	1.22	Rightwise
Sykes (Henry)	37*	36	25	3.16	Alcn Standard
Trident TV 'A'	112§§	97	104½	1.71	Pleasurama
UDS	130*	133	89	247.9	Bassishaw Invests
UDS	136	133	110	259.3	Hanson Trust

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ** Based on April 8 1983. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional. ● Loan stock alternative.

Scrip Issues

BAT Industries: Three for one.
Erith: One for one.

Offers for sale, placings and introductions

Boase Massimi Pollitt is seeking a full listing on the Stock Exchange.
Derek Bryant Group plans to join the Unlisted Securities Market.
Securiguard Group will be coming to the USM later this month.
Bensons Crisps has joined the USM via a placing of 720,000 shares at 68p per share.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Aberfoyle	Dec	485L	(428)L	—	(—)	—	(—)
AC Cars	Sept	342L§	(233)L§	—	(—)	—	(—)
APV Holdings	Dec	17,590	(16,390)	34.9	(37.3)	10.5	(9.6)
Authority Invs	Sept	3,680L	(516)	—	(8.7)	—	(—)
Baird (William)	Dec	8,800	(5,690)	34.9	(25.8)	14.35	(12.95)
Bambers Stores	Jan	3,480L	(2,660)	—	(.67)	0.25	(1.7)
BAT Industries	Dec	856,000	(684,000)	124.9	(99.9)	27.5	(23.0)
BPCC	Dec	12,410	(1,220)L	11.4	(1.5)	—	(—)
Brammer	Dec	5,670	(5,640)	11.6	(12.4)	5.9	(5.7)
Breedon Lime	Jan	1,130	(1,070)	14.8	(11.5)	8.63	(7.63)
British Vending	Dec	341	(456)L	2.8	(—)	0.7	(—)
Bruntons	Dec	1,510	(1,480)	13.9	(12.0)	10.5	(10.17)
Christies Intl	Dec	3,710	(5,280)	8.0	(13.8)	7.0	(7.0)
Coates Brothers	Dec	8,660	(8,370)	11.2	(12.1)	2.42	(2.42)
Conder Intl	Dec	638L	(1,020)	—	(9.9)	1.5	(4.0)
Cookson Group	Dec	6,400	(11,300)	—	(3.5)	9.66	(9.66)
Croda Intl	Dec	15,040	(10,130)	7.2	(5.4)	7.0	(3.76)
Desoutter Bros	Dec	1,690	(2,000)	11.0	(27.0)	5.7	(5.7)
Dreamland Elect	Dec	56	(252)L	—	(—)	0.7	(0.35)
Elys Wimbledon	Jan	349	(306)	20.5	(15.4)	7.0	(5.85)
Erith	Dec	1,460	(1,130)	8.4	(7.0)	4.6	(4.0)
Finlay Packaging	Dec	593	(815)	3.2	(4.9)	2.25	(2.25)
Fothergill Harvey	Dec	1,480	(1,770)	7.2	(10.0)	8.0	(7.75)
Gibbs and Dandy	Dec	303	(349)	3.5	(4.6)	1.4	(1.4)
Glanfld Lawrence	Dec	514L†	(138)L‡	—	(0.3)	—	(—)
Grattan	Jan	1,120L	(5,220)	—	(8.7)	1.0	(4.12)
Grampian Hldgs	Dec	425	(1,040)	1.2	(7.2)	4.5	(4.5)
Greenbank Hldgs	Dec	2,380	(1,930)	4.9	(3.9)	2.1	(1.6)
Hangor Invs	Dec	806L	(155)	—	(1.7)	—	(—)
Ibstock Johnsen	Dec	1,410L	(175)	—	(0.2)	4.5	(4.5)
Jacobs (John I.)	Dec	1,380	(1,110)	3.5	(2.3)	2.6	(2.3)
Johnson Cleaners	Dec	5,610	(4,120)	33.9	(18.0)	10.8	(7.71)
Ladbroke Group	Dec	36,200	(32,800)	19.0	(21.6)	8.0	(7.43)
Lambert Howarth	Dec	1,000	(627)	18.5	(14.5)	5.75	(4.75)
Magnolia Group	Dec	702	(857)	8.7	(9.9)	2.3	(2.3)
Millor (Stanley)	Dec	460	(72)L	5.4	(—)	6.0	(—)
Morrison (Wm)	Jan	8,860	(7,640)	9.0	(10.1)	1.6	(1.4)
No-Swift Industs	Dec	904	(566)	1.9	(1.9)	2.14	(2.14)
Phoenix Assce	Dec	17,500	(31,100)	18.3	(27.9)	17.5	(16.8)
Reed Executive	Jan	820L	(1,650)L	—	(—)	0.1	(0.1)
Richards Leicestr	Dec	347L	(196)L	—	(—)	2.0	(2.0)
Ruberoid	Dec	4,160	(3,360)	17.0	(16.7)	5.6	(4.7)
Sharna Ware	Dec	687	(543)	9.7	(9.6)	2.23	(1.73)
Sparrow (G. W.)	Dec	1,070	(249)	8.8	(2.2)	1.25	(0.75)
Stewart Wrightsn	Dec	9,930	(9,215)	27.5	(24.3)	14.3	(13.0)
Sumner (Francis)	Dec	228L	(34)	—	(0.1)	—	(0.2)
Sun Alliance	Dec	56,800	(70,900)	73.0	(84.8)	48.0	(43.0)
Sunbeam Wolsey	Dec	886	(676)	10.0	(6.4)	3.0	(3.0)
Thurgar Bardex	Dec	4L	(255)	—	(1.6)	—	(0.9)
West Brom Spring	Dec	214L	(13)	—	(—)	—	(—)
Wilkes (James)	Dec	87L	(175)L	—	(—)	4.31	(4.13)
Wood (Arthur)	Dec	41	(23)L	0.9	(0.4)	0.5	(—)
York Mount Gp	Dec	419	(265)	37.8	(29.3)	5.0	(2.1)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Anvil Petroleum	Dec	287L	(65)L	—	(—)
Beckman (A.)	Dec	533	(619)	1.95	(1.95)
Burgess Products	Jan	68L	(282)	0.5	(0.5)
Burndene Invs	Nov	23	(197)L	—	(—)
Charterhall	Dec	247L	(39)L	—	(—)
Compco Holdings	Sept	199	(169)	—	(—)
Danks Gowerton	Dec	99L	(106)L	—	(—)
Druck Holdings	Dec	462	(371)	1.1	(—)
Ferry Pickering	Dec	740	(687)	0.91	(0.91)
Floyd Oil	Dec	59	(56)L	—	(—)
Ingall Industries	Dec	235	(161)	0.98	(0.89)
Jayplant	Nov	16	(9)L	—	(—)
Lucas Industries	Jan	5,200L	(7,000)	2.6	(2.6)
Photo-Me Intl	Dec	1,810	(1,270)	3.15	(3.15)
Reliable Props	Dec	339	(274)	1.25	(1.25)
Standard Ind	Dec	353L	(72)L	—	(—)
Town Centre Secs	Dec	872	(778)	—	(—)
Trident Computer	Jan	53	(143)	0.5	(0.5)
"W" Ribbons	Dec	71L	(19)	—	(—)
W. Tyzack Turner	Jan	264L	(55)	—	(0.5)
Unigroup	Dec	48	(4)	—	(—)

(Figures in parentheses are for the corresponding period.)
* Dividends are shown net except where otherwise stated. † For 15 months. ‡ For previous 12 months. § Net losses. ¶ In I£.

Rights Issues

Allied Residential is making a one for one rights issue at 14p per share to raise £1.4m.
Anvil Petroleum is raising £1.308m via a one for one rights issue at 35p per share.

APPOINTMENTS

New partners join Cooper and Lybrand

COOPERS AND LYBRAND has admitted 16 partners in its general practice and six directors in its management consultancy. Mr Brandon Gough has become senior partner and chairman of the firm's executive committee. The new partners are: Ms Mollie Bickerstaff, Mr Philip Collins, Mr Peter J. Cooke, Mr Roger Emorson, Mr Richard North, Mr Richard H. Phillips, Mr Glyndwr D. Thomas, Mr Clive W. Tulloch (all in London); Ms Jane Gilbert (Birmingham); Mr Roger Angus (Bournemouth); Mr Christopher J. Phoenix (Edinburgh); Mr Gordon Jack (Glasgow); Mr Jonathan P. Zigmond (Leeds); Mr Richard A. Wade (Leicester); Mr Russell B. C. Beeson (Maidstone); and Mr Philip Wilkinson (Northampton). The new directors of Coopers and Lybrand Associates, the firm's management consultancy practice, are: Mr Austin Bendall, Mr John A. Hammond, Mr David Liggins, Mr Richard J. Platford, and Mr Francis J. Plowden (all in London); and Mr Victor L. Luck (Leeds).

★

In the ROBERT FLEMING GROUP the following have been appointed: at Robert Fleming & Co. as managers: Mr Philip H. G. Bradley, Mr Alistair I. Findlay, Mr Methven G. Kirkwood, Mr John S. Lockwood, Mr Anthony J. Mozley, Mr David H. Pocknee, Mr Ian R. M. Ramsay, Mr Mark W. B. Sketchley and Mr Peter Wonnacott; at Robert Fleming Investment Management as directors: Mr Valentine P. Fleming, Mr Francis P. Hinks and Mr Francis J. K. Ledwidge; as managers: Mr Timothy G. Hyde and Mr Christoper Russell; at Robert Felming Services as manager: Mr Ronald S. Henderson; and at Rowe Price-Fleming International Inc. as executive vice president: Mr Maximilian K. Hopfl.

★

Mr John R. Townsend has been appointed company secretary to all the companies in the EUROPLAS GROUP.

★

Mr Ron Rose has been appointed to the board of KELCO, Bromborough-based manufacturer of the Kelvinator range. He joined Kelvinator in 1956.

★

Ms Elizabeth Greenspan, formerly counsel to The Reader's Digest Association, Inc., has been appointed European anti-piracy counsel to the MOTION PICTURE ASSOCIATION OF AMERICA INC., based at the MPAA Film Security Office in London.

★

Mr John G. Roberts has been appointed to the board of ECONOMIC FORESTRY GROUP. He has been with the Group for 20 years.

★

Mr John Jarvis has joined the board of BOWATER-SCOTT CORP as personnel and public affairs director.

★

Mr Jayant Deshpande has been appointed an executive director of GIL. CARVAJAL AND PARTNERS, insurance brokers.

★

To increase its commitment to capital markets arbitrage, including interest rate and currency swaps, the CHASE MANHATTAN capital markets group has made three appointments. Mr Sanjay Sathe will join the group based in New York with global responsibility for capital markets arbitrage activity. Mr Hans von Meiss joins Chase Manhattan Limited, the group's London based subsidiary, as associate director with responsibility for the product in Europe and the Middle East. Ms Megumi Oka joins Chase Manhattan Limited as assistant manager. All three were formerly with Bankers Trust International.

★

ELECTRONIC RENTALS GROUP has appointed Mr F. E. Hall and Mr J. K. Johnson to the board. Mr A. C. Cowell has retired as an executive director but continues as a non-executive director.

★

At P&O CRUISES Mr J. P. A. Motion, who was general manager (fleet), becomes director (fleet), taking over from Mr A. K. Langley, who was recently appointed deputy managing director. Mr A. J. R. Tyrrell, who joined the company as fleet personnel manager in 1960, is appointed to the new position of director (personnel). Mr M. G. Medlicott, previously general manager (Europe), becomes director (Europe). He takes over from Mr P. R. Wise who, at his request, will be leaving the company later in the year to pursue his own interests.

Marketing man joins Allied Breweries

Mr A. Michael Detsiny is to join ALLIED BREWERIES as marketing director. He is currently marketing director of Cadbury, confectionery division of Cadbury Schweppes.

★

Mr G. G. Stockwell has been appointed a director of CLUFF OIL. He is a former managing director and chairman of Iraq Petroleum Co.

★

Mr John Heywood has joined the board of BENN BROTHERS as a non-executive director. As a joint managing director of Jardine Matheson and Co. he was responsible for all that company's international operations. Since returning to the UK in July, 1982, to establish his own investment holding company, he has become a non-executive director of International Signal and Control Group, and Exco International.

★

Mr Vic Jeffs, general manager, and Mr Kevin Kelly, market development manager, of Beaufort Computer Services, have joined the board of CROWN COMPUTER SERVICES, which is 57 per cent-owned by Crown Life Assurance Group and 43 per cent by Beaufort Computer Services.

★

Sir Frank Cooper has joined the board of BABCOCK INTERNATIONAL.

★

STANDARD CHARTERED BANK has appointed Mr Peter W. Weller as general manager with responsibility for the bank's UK and Eire operations on the retirement of Mr Arthur Ely. Mr Weller has also been appointed to the boards of Standard Chartered Bank (C.I.) and Standard Chartered Bank Ireland. He joined the bank in 1956.

★

Mr E. G. Litton has been appointed finance director, Mr M. F. White, sales director and Mr C. C. Storey technical director of ROCHFORD-THOMPSON (INTERNATIONAL). Mr K. G. Archer, managing director of Boldstar, has been appointed to the board as a non-executive director, with particular responsibility for development projects with a mechanical engineering bias.

★

Mr Peter Lewis and Mr John English have been appointed to the board of HERON CORP., holding company for all Heron's UK and European operations. Mr Lewis is managing director of Heron Homes, housing estate development and house building division of Heron. Mr English and Mr Lewis are both directors of Heron Property Corp., property investment and development division.

★

Miss Jennifer M. Nibbs will be joining the partnership and Mr William Foy will be leaving the partnership of BUCKMASTER AND MOORE, stockbrokers, on April 8.

★

GRANVILLE & CO has appointed Mr David Stebbings as a non-executive director. He is a former senior partner of Freshfields. Mr Peter David has been appointed an executive director and Mr Anthony Hawksley an assistant director. Granville & Co. was previously M. J. H. Nightingale & Co.

★

The CITY UNIVERSITY BUSINESS SCHOOL has appointed Mr Zannis Res as director of the Centre for Banking and International Finance. He succeeds Mr Geoffrey Wood, who is to devote more time to research.

Mr Zannis Res, director of the Centre for Banking and International Finance

Mr Res, who joined the school in 1981, is also director of the evening MPA course and a senior lecturer in banking and international finance. In his new post he will be responsible for maintaining and strengthening the direct links between the City University Business School and the City.

★

Mr E. McMahon has been appointed an assistant general manager in the northern domestic banking region of WILLIAMS & GLYN'S BANK. He succeeds Mr A. P. Dunn who is retiring on April 12.

★

MARLEY has appointed Mr J. W. Moffat as managing director of Marley Floors. He was sales director and general manager.

★

Mr W. D. H. Gregson has been appointed a non-executive director of BRAMMER. He is deputy chairman of the British Airports Authority, a director of Anderson Strathclyde, East of Scotland Investment Trust, British Telecom (Scotland), and is president-elect of BEAMA.

★

Lord Campbell of Croy, and Mr G. H. Popham, have been appointed to the main board of the ALLIANCE BUILDING SOCIETY and Mr Leslie Farrer-Brown and Lord Hankey have retired from the board. Lord Campbell has been chairman of the Society's Scottish board since its formation in July 1976. Mr Popham is vice chairman of J. Henry Schroder Wagg and Co.

★

Mr W. A. Ferguson has been appointed an assistant to the directors, and Mr M. Walker manager of Clive Discount, while Mr W. N. H. Jones has been appointed a director of Clivwell Securities. Both are members of the CLIVE GROUP.

★

Mr Peter Walhum has been appointed by THOMSON HOLIDAYS as personnel director. He was formerly with The Charterhouse Group.

★

Mr David Pollock, formerly corporate planning manager of Fisons has joined VIVIAN GRAY AND CO., stockbrokers, as senior investment analyst responsible for chemical research.

★

Lord Kindersley has been reappointed as chairman of the COMMONWEALTH DEVELOPMENT CORP. and will serve for a further three years from July 1. Sir Colin Campbell becomes deputy chairman of the corporation to replace Lord Walston who has retired. Sir Colin has been a CDC Board Member since January 1981. Professor David Henderson who has served on the board since 1980 has been reappointed for a further three year period from March. Lord Kindersley is vice chairman of Lazard Brothers and Co. where he is concerned with financing projects overseas. Sir Colin Campbell has been associated with James Finlay and Co since 1948 and has been chairman since 1975. Professor Henderson is Professor of Political Economy, University College London. He was formerly an economist with the World Bank for five years.

Senior post at English Tourist Board

Mr Peter Chester has been appointed director of marketing at the ENGLISH TOURIST BOARD. He succeeds Mr David Jeffries, who has been appointed to a Professorship at Strathclyde University's Business School. Mr Jeffries will be head of the Scottish Hotel School, which offers degree and post-graduate courses in hotel management and tourism. Mr Chester is at present director strategic planning at the British Tourist Authority.

★

Mr R. O'Connell has been appointed financial director of REDIFFUSION RADIO SYSTEMS. He was financial controller.

The chief surveyor of the LEEDS PERMANENT BUILDING SOCIETY, Mr Harry Brompton, has been appointed a general manager.

★

Mr Philip Attenborough, chairman of Hodder and Stoughton, succeeds Mr Tim Rix, chief executive of the Longman Group, as president of THE PUBLISHERS ASSOCIATION at the annual meeting on April 14. Mr Attenborough will serve a two-year term.

LONDON TRADED OPTIONS

Option		CALLS April	July	Oct.	PUTS April	July	Oct.
BP (USP 350)	260	94	—	—	1	—	—
" "	280	74	—	—	1½	—	—
" "	300	54	64	72	2	5	8
" "	330	25	38	46	3	12	18
" "	360	7	18	26	14	22	26
CGF (USP 504)	390	—	130	—	1½	4	—
" "	420	90	108	—	1½	8	—
" "	460	50	73	82	4	15	18
" "	500	17	40	55	10	25	35
" "	550	5	20	32	47	55	62
" "	600	1	7	13	—	100	—
CTD (USP 85)	70	27	29	31	1	1½	3
" "	80	17	18	21	1	2½	4
" "	90	8	11	13	2	5	6
" "	100	1½	6	7½	5	10	12
CUA (USP 137)	120	20	25	29	1	1½	2½
" "	130	12	17	20	1	4	8
" "	140	3	10	15	6	10	12
" "	160	1	4½	8	25	26	27
GEC (USP 210)	180	33	38	46	1	4	5
" "	187	16	—	—	2	—	—
" "	200	—	26	30	—	8	14
" "	217	5	—	—	12	—	—
" "	220	—	12	20	—	18	25
" "	237	1	—	—	28	—	—
" "	240	—	6	—	—	34	—
" "	260	0½	4	—	51	51	—
GM (USP 334)	260	76	—	—	1	—	—
" "	280	55	82	—	1	3	—
" "	300	35	42	49	2	7	8
" "	330	8	23	31	5	18	17
" "	360	1	12	18	29	31	34
" "	390	1	3	8	—	59	61
ICI (USP 394)	300	98	106	—	1	—	—
" "	330	68	78	—	1	4	—
" "	360	38	46	35	2	6	10
" "	390	12	27	36	4	14	18
" "	420	2	14	20	28	32	32
LS (USP 315)	250	67	52	68	1	3	—
" "	280	37	42	48	3	5	9
" "	300	17	24	33	3	12	17
" "	330	3	11	18	16	27	30
M & S (USP 214)	160	56	—	—	1	—	—
" "	180	38	41	43	1	4	5
" "	200	17	28	25	2	7	11
" "	220	4	12	19	11	15	22
" "	240	1	5	—	27	30	—
SHL (USP 464)	420	66	76	84	1½	4	9
" "	460	27	40	48	4	14	16
" "	500	6	18	34	33	28	34

Option		CALLS May	Aug.	Nov.	PUTS May	Aug.	Nov.
BSL (USP 440)	360	87	97	—	1	3	—
" "	390	57	67	—	3	4	—
" "	420	30	42	55	4	11	18
" "	460	9	20	35	23	30	37
" "	500	3	10	22	63	66	77
IMP (USP 114)	90	24	—	—	1	—	—
" "	100	15	—	—	1½	—	—
" "	110	8	13	10	4	5	7
" "	120	4	8	9	8	10	12
" "	130	1½	3½	5	18	18	18
LMD (USP 330)	210	60	70	77	2	4	10
" "	230	43	55	62	4	10	10
" "	250	26	38	48	10	20	25
" "	270	12	27	30	22	30	36
" "	290	4	14	—	37	45	—
" "	300	1	5	—	68	72	—
" "	330	1	—	—	93	—	—
" "	360	1	—	—	125	—	—
LVR (USP 82)	80	6	9½	12	3	5	7
" "	90	2	3	5	10	12	14
" "	100	0¾	2½	3½	19	21	25
P & O (USP 144)	100	46	47	—	0¼	1	—
" "	110	36	37	—	0½	2	—
" "	120	28	27	28	1	4	6
" "	130	17	18	21	2	5	8
" "	140	9	13	15	4	11	15
" "	160	3¼	5	9	18	22	24
RCL (USP 466)	420	52	62	73	4	11	17
" "	460	23	37	44	17	20	27
" "	500	5	17	27	44	47	50
" "	550	2	6	—	90	90	—
" "	600	1	3	—	140	140	—
" "	650	1	—	—	190	—	—
RTZ (USP 534)	380	147	—	—	1	—	—
" "	420	117	130	—	2	—	—
" "	460	77	84	—	3	10	—
" "	500	37	54	67	12	20	30
" "	550	12	28	40	30	40	47
VRF (USP 3108)	60	—	—	—	1	—	—
" "	70	—	—	—	0½	—	—
" "	80	—	—	—	1½	—	—
" "	90	20	25½	28	5½	5½	7½
" "	100	11½	18	20	5½	9	11½
" "	110	6½	10½	15	8½	13½	16½
" "	120	3	7½	11½	13½	17	22
" "	130	1½	5	7½	23½	—	25½
" "	140	0¾	4	3½	—	—	—

Option		CALLS June	Sept.	Dec.	PUTS June	Sept.	Dec.
BHM (USP 390)	360	40	45	55	5	8	11
" "	390	20	28	35	18	22	28
GKN (USP 174)	160	21	25	29	3	8	8
" "	180	7½	12½	18	12	15	16

Total Contracts [illegible] Calls [illegible] Puts [illegible]

LADBROKE INDEX
based on FT Index
672-677 (+2)

BASE LENDING RATES

A.B.N. Bank	10½%	■ Guinness Mahon	10½%
Al Baraka International	10½%	■ Hambros Bank	10½%
Allied Irish Bank	10½%	Heritable & Gen. Trust	10½%
Amro Bank	10½%	■ Hill Samuel	§10½%
Henry Ansbacher	10½%	C. Hoare & Co.	†10½%
Arbuthnot Latham	10½%	Hongkong & Shanghai	10½%
Armco Trust Ltd.	10½%	Kingsnorth Trust Ltd.	12 %
Associates Cap. Corp.	11 %	Knowsley & Co. Ltd.	11 %
Banco de Bilbao	10½%	Lloyds Bank	10½%
Bank Hapoalim BM	10½%	Mallinhall Limited	10½%
BCCI	10½%	Edward Manson & Co.	12 %
Bank of Ireland	10½%	Midland Bank	10½%
Bank Leumi (UK) plc	10½%	■ Morgan Grenfell	10½%
Bank of Cyprus	10½%	National Westminster	10½%
Bank Street Sec. Ltd.	10½%	Norwich Gen. Tst	10½%
Banque Belge Ltd.	10½%	P. S. Refson & Co.	10½%
Banque du Rhone	11½%	Royal Trust Co. Canada	10½%
Barclays Bank	10½%	Roxburghe Guarantee	11 %
Beneficial Trust Ltd.	11½%	Slavenburg's Bank	10½%
Bremar Holdings Ltd.	11½%	Standard Chartered	‖10½%
Brit. Bank of Mid. East	10½%	Trade Dev. Bank	10½%
■ Brown Shipley	10½%	Trustee Savings Bank	10½%
Canada Perm't Trust	11 %	TCB	10½%
Castle Court Trust Ltd.	11 %	United Bank of Kuwait	10½%
Cayzer Ltd.	10½%	Volkskas Intl. Ltd.	10½%
Cedar Holdings	11 %	Westpac Banking Corp.	10½%
■ Charterhouse Japhet	10½%	Whiteaway Laidlaw	11 %
Cheulartons	11½%	Williams & Glyn's	10½%
Citibank Savings	¶10 %	Wintrust Secs. Ltd.	10½%
Clydesdale Bank	10½%	Yorkshire Bank	10½%
C. E. Coates	11 %		
Comm. Bk. of N. East	10½%		
Consolidated Credits	10½%		
Co-operative Bank	*10½%		
The Cyprus Popular Bk	10½%		
Duncan Lawrie	10½%		
E. T. Trust	11½%		
Exeter Trust Ltd.	11½%		
First Nat. Fin. Corp.	13 %		
First Nat. Secs. Ltd.	13 %		
Robert Fraser	11½%		
Grindlays Bank	‡10½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 7.5%; 1-month 7.75%. Short-term £8,000/12-months 10.1%.
† 7-day deposits on sums of: under £10,000 7½%, £10,000 up to £50,000 8¼%, £50,000 and over 9%.
‡ Call deposits £1,000 and over 7½%.
‖ 21-day deposits over £1,000 8½%.
§ Demand deposits 7½%.
¶ Mortgage base rate.

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WORLD STOCK MARKETS

Slight downtrend on Wall St

TECHNOLOGY STOCKS led a slight downtrend on Wall Street yesterday, when analysts said the market was under pressure from projections that the Nation's Money Supply, reported after the close, will show a moderate rise for the second week in a row.

By mid-day, the Dow Jones Industrial Average was off 3.39 at 1,114.26, making a loss of 15.77 on the week, while the NYSE All Common Index, at $87.13, shed 19 cents on the day and 90 cents on the week. But advances still managed to edge out declines, by a margin of only some 10 issues. Volume totalled 35.80m shares, down 5.33m from midday Thursday.

The growth in the M-1 measure of the Mooey Snpply is currently running well above the Federal Reserve's annual target growth range of 4 to 8 per cent and Wall Street is concerned that the Central Bank may start pulling in credit reins as a result.

Many analysts still see $22 to $25-a-barrel for oil, lower-short term interest rates and a continued strong dollar.

Technology stocks were the pacesetters during the market's rally of the past eight months but they have been hit by profit-taking in recent days. Analysts said investors are concerned that the gronp may report disappointing earnings and so are locking np their profits now.

Digital Equipment fell another $2¾ to $114¼—Merrill Lynch lowered its fiscal third quarter earnings estimate for the company.

American Telephone and Telegraph lost $¼ to International Business Machines $⅝ to $102¾, Teledyne $2¼ to $143¾, Honeywell $1⅜ to $88⅜ and Lockheed $⅜ to $108¼.

Atlantic Richfield rose $⅜ to $41⅞ but Motorola were off $1⅞ at $101¼, Merrill Lynch were down $1½ at $82⅜ and Holiday Inns $½ at $40¼.

Carolina Freight moved $3⅞ to $40, after reporting 12 weeks March 26 net earnings of 76 cents a share.

THE AMERICAN SE Market Value Index firmed 0.10 to 385.91, reducing its loss on the week to 3.17. Volume 3.32m (3.49m) shares.

Closing prices for North America were not available for this edition.

Canada

Mixed at midsession as losses in the Golds continued to hold markets back.

The Toronto Composite Index was off 0.1 at 2,154.9, the Gold Index dipped 54.9 to 4,278.5, Oil and Gas eased 6.7 to 2,819.2 and Metals and Minerals 0.7 to 2,030.2. But Banks firmed 2.43 to 474.60.

Dome Mines were off $¼ at $22¼—Dome Petroleum, unchanged at $3.65, said it is considering selling a substantial portion of its 40.1 per cent interest in Dome Mines.

Germany

Mostly easier after operators took profits early in the session following this week's larg gains, but late bargain hunting, particularly by Foreign investors, brought prices off the day's lows.

Dealers said news Volkswagen, down DM 4 at 174.3, is omitting its dividend for the first time since 1975, plus publication of figures showing orders for West Germany's Manufacturing Industry fell a provisional 10.1 per cent in February weighed on the markets early.

But the underlying Bourse trend remains bullish and prices were able to recover some of their losses.

The Commerzbank Index, which is calculated at midsession and so did not reflect late buying, was off 6.1 to 916.4.

Engineerings showed only mnted reactioo to the fall in February orders.

In Bond trading, prices and yields for mark-denominated stock closed virtually unchanged. Deutsche Bundesbank bought DM 4.4m in Public Sector Bonds to balance the market.

Paris

Mixed in moderate trading in the absence of any overriding market trend.

Investors were encouraged by Wall Street's overnight gain, but dealers said pre-weekend profit-taking tempered market enthusiasm.

Also damping the mood was the pessimistic findings contained in the National Statistics Institute's Quarterly Economic Survey. The study warned that industrial activity will remain depressed and unemployment will grow in the near term.

Foods, Engineerings, Hotels and Electricals gained ground. Banks were weaker, while Portfolios, Motors, Constructions, Metals, Oils and Chemicals finished mixed.

Foreign shares also ended mixed. International Oils firmed, while Japanese and Gold Mines eased. American and German issues were mixed.

Switzerland

Domestic share prices closed mixed, with an easier bias in light volume, reflecting uncertainty on Swiss and U.S. interest rates.

The strength of the dollar and the unchanged Swiss inflation rate in March at an annual 4.8 per cent made a cautious attitude.

Among special situation stocks Alusuisse bearer fell Frs 32 to 615 and its Registered lost Frs 7 to 202 following its increased group net loss for 1982 and ommission of a dividend.

Engineerings fell in sympathy. Swiss Bond prices closed quietly mixed.

In the Foreign Sector, Dollar stocks traded above Thursday night's New York close. Dutch Internationals and German equities were little changed.

Tokyo

Slightly lower on scattered selling of market leaders, but "low priced" large asset issues met selective demand.

The Market Average dipped 7.68 to 8,435.37 in a fairly active trading of 550m (500m) shares.

The unwinding of some Margin buying positions was noted as Light Electricals, Computer Manufacturers, Motors and Precisions led the decline, but Property stocks, Shippings and non-Ferrous Metals held steady.

Foreign investor interest was lacking except for some light purchases in the large asset issues.

Teikoku Oil lost Y25 to Y825 as profit-taking pared Thursday's sharp rise after an oil find.

Sony fell Y70 to 3,410—it has lowered its sales-growth projection for the current fiscal year.

Hong Kong

Prices closed firmer but off the day's highs due to late profit-taking ahead of the weekend. Trading was moderately active.

The Hang Seng Index finished up 20.01 at 1,034.17, after 23.14 up at 1,037.30.

Shares opened steady on various factors including an improvement in Factory Orders here, signs of a decline in U.S. interest rates and higher overseas advices.

Prices peaked at midday with H.K. Wharf and Cheung Kong each showing substantial gains. Wharf closed 27½ cents up at $HK3.975 and Cheung Kong 20 cents higher at $HK10.3.

Brokers noted rumours that Wharf and Cheung Kong plan to take a crossholding in each other. However, a spokesman for Wharf said he was unaware of any such plan while no spokesman for Cheuog Kong was immediately available for comment.

In other Corporate news, Ka Wah Bank reported a 29.8 per cent increase to $HK55.5m in consolidated profit for 1982, a final dividend of 7½ cents plus a one-for-ten free scrip issue.

Singapore

Firm on sustained buying in active selective trading, with higher overseas markets advices aiding sentiment.

The Straits Times Industrial Index rose 9.78 to 879.30.

The rise was based largely on gains in Bank stocks. Many of those shares were members of the OCBC-stable, a number of companies which are chaired by Tan Chin Tuan, who also heads the "Big Bank". The bank's stock rose another 70 cents to $S11.9 oo rumours that the chairman would sooo resign.

DBS firmed 30 cents to $S9.50 and UOB 20 cents to $S4.50.

NEW YORK

CANADA

DENMARK

NETHERLANDS

AUSTRALIA

JAPAN (continued)

FRANCE

NORWAY

SPAIN

HONG KONG

GERMANY

SWEDEN

SINGAPORE

JAPAN

AUSTRIA

SWITZERLAND

BELGIUM/LUXEMBOURG

ITALY

SOUTH AFRICA

Indices

NEW YORK

DOW JONES

STANDARD AND POORS

N.Y.S.E. ALL COMMON

MONTREAL

TORONTO Composite

NEW YORK ACTIVE STOCKS

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Pound steady

Sterling showed very little overall change in currency markets yesterday in predominently quiet trading. There was little incentive to take out fresh positions ahead of the weekend while the acceptance of BNOC latest proposals on North Sea oil prices kept trading to a minimum. The pound's index was unchanged at the close at 80.8 compared with 80.7 at noon and 80.6 in the morning. Against the dollar it opened at $1.5050 and traded in a narrow range of $1.5010-1.5110 before finishing at $1.5045-1.5055, a fall of just 20 points.

The dollar was generally firmer and with sterling keeping pace with the dollar's improvement for much of the day, so the pound finished firmer against European currencies, including the D-mark at DM 3.6625 compared with DM 3.6625 and SwFr 3.10 against SwFr 3.0850. The pound was also stronger against the yen at Y360¼ from Y358½ and FFr 10.95 against FFr 10.91.

The dollar improved as U.S. domestic rates showed little sign of easing. Longer term Eurodollar rates were mostly ⅛ of a point firmer. The dollar closed at DM 2.4280 against the D-mark up from DM 2.4155 and SwFr 2.0590 compared with SwFr 2.0460. It was also firmer against the Japanese yen at Y239.30 from Y237.60 and FFr 7.2775 compared with FFr 7.24. On Bank of England figures the dollar's trade weighted index rose to 122.6 from 122.3. This was its highest level since late last month when a figure of 123.0 was recorded. This was the highest level since November last year.

EMS currencies showed little change with the D-mark and Dutch guilder both at the bottom of the system while the French franc continued to show a firm tendency.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU April 8	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.3662	44.6921	+0.73	+0.32	±1.5430
Danish Krone ...	8.04412	7.98108	−0.78	−1.19	±1.6419
German D-Mark	2.21515	2.24712	+1.44	+1.03	±1.0667
French Franc ...	6.79271	6.73812	−0.80	−1.21	±1.4018
Dutch Guilder ...	2.49587	2.53224	+1.46	+1.05	±1.4941
Irish Punt	0.71705	0.711332	−0.80	−1.21	±1.6696
Italian Lira	1386.78	1339.37	−3.42	−2.42	±4.1463

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

THE POUND SPOT AND FORWARD

April 8	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.5010-1.5110	1.5045-1.5055	[illegible]	1.00	0.32-0.27 pm	0.78
Canada	1.8530-1.8640	1.8575-1.8585	[illegible] pm	0.64	0.33-0.23 pm	0.60
Nethlnd.	4.09½-4.12½	4.11½-4.12½	[illegible] pm	5.46	5¾-5¼ pm	5.22
Belgium	72.25-72.85	72.65-72.75	6-15c dis	−1.65	28-38 dis	−1.81
Denmark	12.90-12.98	12.96-12.97	[illegible] dis	−4.34	11¾-12¾ dis	−3.74
Ireland	1.1525-1.1590	1.1580-1.1590	0.47-0.49p dis	−5.53	1.33-1.62 dis	−5.16

THE DOLLAR SPOT AND FORWARD

April 8	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.5010-1.5110	1.5045-1.5055	0.15-0.10c pm	1.00	0.32-0.27 pm	0.78
Ireland†	1.3005-1.3060	1.3015-1.3035	0.85-0.70c pm	7.14	2.00-1.70 pm	3.68
Canada	1.2340-1.2355	1.2340-1.2350	0.01c pm-0.02dis	−0.05	0.01-0.04dis	−0.06

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 48.95-49.05.

MONEY MARKETS

Little change

UK clearing bank base lending rate 10½ per cent (since March 15 and 16)

Day to day credit was in short supply in the London money market yesterday. The Bank of England gave an early forecast of a shortage of around £650m although this was later revised to £600m. Factors affecting the market included bills maturing in official hands and a net take up of Treasury bills −£232m and a rise in the note circulation of £240m. On the other hand Exchequer transactions added £80m to the system. The Bank gave assistance in the morning of £148m comprising purchases of £62m of eligible bank bills in band 1 (up to 14 days) at 10$\frac{7}{16}$ per cent and in band 2 (15-33 days) £6m of local authority and £80m of eligible bank bills at 10⅜ per cent.

Assistance in the afternoon came to £320m, making a grand total of £468m. The afternoon help comprised purchases of £210m of eligible bank bills in band 1 at 10$\frac{7}{16}$ per cent, £108m in band 2 at 10⅜ per cent, £1m in band 3 (34-63 days) at 10¼ per cent and £1m in band 4 (64-84 days) at 10⅛ per cent. Weekend money in the interbank market opened at 10¾-11 per cent and touched 12½ per cent before finishing at 2 per cent. The bullish tone of the market was reflected in the latest Treasury bill tender where the average rate of discount fell to 9.8194 per cent from 10.2175 per cent.

LONDON MONEY RATES

Apr. 8 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	2-12¼	—	—	—	10-11¼	5-10⅞	—	—	—
2 days notice	—	—	10⅝	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	11-11⅛	—	—	—	—
7 days notice	—	10⅝-10⅞	10⅝	—	—	10¾	10½	—	—	—
One month	[illegible]	[illegible]	10½	11⅛-10¾	10¾	10⅝	10¼	10⅜	[illegible]	[illegible]
Two months	[illegible]	[illegible]	10⅝	11-10⅝	10¾	10⅝	10⅛	[illegible]	[illegible]	[illegible]
Three months	[illegible]	10¼-10⅜	10¼	10⅞-10½	10¾	—	10	10	10	10⅝
Six months	10¼-10⅛	[illegible]	10⅛	10-9¾	10⅝	—	—	—	[illegible]	10⅝
Nine months	10¼-10⅛	[illegible]	10⅛	10⅝-10¼	10⅝	—	—	—	—	—
One year	10¼-10⅛	[illegible]	[illegible]	10½-10⅛	10⅝	—	—	—	—	—
Two years	—	—	10¾	—	—	—	—	—	—	—

ECGD Rate Export Finance Scheme IV Average Rate for interest period March 2 to April 5 1983 (inclusive) 10.974 per cent.

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 11 per cent; four years 11⅛ per cent; five years 11¼ per cent. ♦ Bank bill rates in table are buying rates for prime paper. Buying rate for four months bank bills 9$\frac{31}{32}$ per cent; four month trade bills 10$\frac{5}{16}$ per cent.

Approximate selling rate for one month Treasury bills 10⅛ per cent; two-months 10$\frac{3}{32}$ per cent; and three months 9⅞ per cent. Approximate selling rate for one month bank bills 10$\frac{3}{16}$ per cent; two month 10$\frac{3}{32}$ per cent and three months 9$\frac{31}{32}$ per cent; trade bills 10$\frac{11}{16}$ per cent; two months 10$\frac{9}{16}$ per cent and three months 10⅝ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 11½ per cent from April 1, 1983. London and Scottish Clearing Bank Rates for lending 10½ per cent. London Deposit Rates for sums at seven days' notice 7½ per cent.

Treasury Bills: Average tender rates of discount 9.8194 per cent. Certificates of Tax Deposit (Series 6). Deposits of £100,000 and over held under one month 10½ per cent; one-three months 10¼ per cent; three-six months 10¼ per cent; six-12 months 10⅛ per cent. Under £100,000 10 per cent from April 8. Deposits held under Series 3-5 10¼ per cent. The rates for all deposits withdrawn for cash 8 per cent.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Apr. 8	Short term	7 days notice	Month	Three Months	Six Months	One Year
Sterling	10½-10¾	10½-10¾	10½-10⅝	[illegible]	10⅛-10¼	10¼-10⅜
U.S. Dollar	8¾-9	9-9¼	[illegible]	9⅜-8⅝	[illegible]	[illegible]
Can. Dollar	8¾-9¾	8¾-9¼	[illegible]	[illegible]	[illegible]	[illegible]
D. Guilder	4⅞-5⅛	4⅞-5	[illegible]	4⅞-5	5⅛-5⅜	[illegible]
S. Franc	5¼-5¼	4-4½	4-4½	[illegible]	[illegible]	[illegible]
Deutschm'rk	4½-4⅝	4½-4⅝	[illegible]	[illegible]	[illegible]	[illegible]
Fr'nch Franc	12¼-12¾	12¼-12¾	12½-13	13¾-14¼	14½-15	15½-16
Italian Lira	16-18	16-17½	16¼-17¼	17-18	17½-18½	18-18⅞
Belg. Franc Conv.	11-12⅞	10-10⅞	12-13	11¾-12½	11¾-12½	11⅞-12⅜
Fin.	12-12½	10-12½	11½-11¾	11½-11¾	11⅜-11⅝	11⅜-11⅝
Yen	5⅛-6¼	5⅛-6¼	5⅛-6¼	[illegible]	6¼-5⅜	5⅜-6½
D. Krone	14½-15	14¾-15¼	14½-14¾	13¾-14⅛	13¾-14¼	14-14½
Asia $ (Sing.)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

OTHER CURRENCIES

FT LONDON INTERBANK FIXING

(11.00 a.m. APRIL 8)

*Selling rates.

COMMODITIES AND AGRICULTURE

WEEKLY PRICE CHANGES

REVIEW OF THE WEEK

Sterling rally puts pressure on prices

BY OUR COMMODITIES STAFF

METAL AND commodity prices prices were generally under pressure this week following the recovery in the value of sterling against the dollar.

The Financial Times commodity index fell back from the 30-month peak of 277.29 (1952=100) reached just before Easter reflecting a downturn in the markets.

On the London Metal Exchange the cash price of high-grade copper lost £27 to £1,075.75 a tonne, although there were few fundamental supply-demand developments.

Cash nickel dropped by £102 to £3,250.5 a tonne on speculative profit-taking and aluminium, lead and zinc were also lower.

Cash tin, however, reached a new all-time peak yesterday at £9,290.5 a tonne, £26.5 up on the week. This reflected the rise in the Strait's tin price in Penang from $M30.50 to $M31.55 a kilo, just below the middle price range of the International Tin Agreement of $M32.06 to $M34.98. It is believed the buffer stock of the International Tin Council is anxious not to push prices into the middle range, but buffer stock support buying pushed the cash price in London to a premium over the three months quotation.

The influence of sterling's rise was also apparent in the soft (non-metal) markets, especially rubber where London values fell quite sharply despite a rise in the Eastern prices which took the International Rubber Organisation's indicator price into the buffer stock "may sell" range.

This rise to the "may sell" range was seen as one of the influences in a £35 fall yesterday which left the June position on the London futures market £38 down on the week at £778.50 a tonne. On the physical market meanwhile the RSS No. 1 spot quotation fell 1.5p on the week to 78.5p a kilo.

Dealers said there was little trade activity this week and most selling came from speculators. Many dealers had expected a technical shakeout following the recent strength of the market. But they said fundamental factors remained fairly bullish, although demand is reported to be sluggish at the higher price levels.

The firmness of the pound was also the main depressing influence in the coffee and cocoa markets. Despite rising £29.50 yesterday July coffee futures ended the week £55.50 down at £1,666.50 a tonne while July delivery cocoa finished £61.50 lower at £1,233.50 a tonne.

The cocoa market was also depressed by a reduced world crop deficit forecast for the current season from London merchant Gill and Duffus. In a new market report it put the deficit at 54,000 tonnes against 78,000 two months earlier. It attributed the cut mainly to a lower-than-expected rise in demand.

The London daily sugar price fell £3 on the week to £110 reflecting talk of renewed Indian sales and quite heavy Brazilian selling throughout the week. At the weekly Brussels selling tender export licences were granted on only 9,750 tonnes, down from 50,250 tonnes last week, but dealers said this had little impact on the market.

BASE METALS

Amalgamated Metal Trading reported that in the morning cash higher grade traded at £1076.50, three months £1106, 05, 04.50, 05, 06.50, 06, 06.50, 07, 06, 07, 06.50. Cathodes: Cash £1060, three months £1087. Kerbs: Higher Grade: Three months £1107, 06.50, 06, 05. Afternoon: Higher Grade: Three months £1105, 04.50, 05, 03, 03.50, 04, 03.50. Kerb: Higher Grade:

Aluminium—Morning: Cash £902, three months £926, 25.50, 26, 25.50, 29, 28.50, 28, 28.50. Kerb: Three months £927.50, 28, 29, 30. Afternoon: Three months £927, 29, 28.50, 29, 29.50, 29, 28, 29, 30, 29.50, 29, 29.50, 29. Kerb: Three months £929, 30, 29, 28, 27.50, 27. Turnover 10,250 tonnes.

NICKEL

COPPER

TIN

LEAD

ZINC

ALUMINIUM

SILVER

COCOA

COFFEE

GRAINS

Sept 111.25-1.05, Nov 114.50-4.30, Jan 117.60-7.40, March 120.55-20.60. Sales: 145 lots of 100 tonnes.

	WHEAT		BARLEY	
Mnth	Yesterd'ys close	+ or —	Yest'd'ys close	+ or —
May	156.95	−0.85	122.50	−0.70
July	157.75	−0.90	—	—
Sep	117.85	−0.10	111.05	−0.30

POTATOES

SUGAR

RUBBER

SOYABEAN MEAL

WOOL FUTURES

INDICES

FINANCIAL TIMES

Apr. 7	Apr. 6	M'th ago	Y'ar ago
273.48	273.16	262.51	244.48

(Base: July 1 1952=100)

REUTERS

MOODY'S

DOW JONES

LONDON OIL

SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.45-29.00	+0.22
Iranian Light	26.50-27.75	+0.25
Arabian Heavy	26.35-26.60	+0.12
North Sea (Forties)	29.35-29.60	+0.50
North Sea (Brent)	29.40	+0.40
African (Bonny L'ht)	29.80-30.00	+0.80
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	290-295	+1.0
Gas oil	243-252	—
Heavy fuel oil	162-168	+3.0

GAS OIL FUTURES

Month	Yesterday's close	+ or —	Business Done
	$ U.S. per tonne		
April	249.00	+4.50	250.50-47.00
May	248.00	+5.00	251.25-47.75
June	246.50	+4.50	249.50-46.25
July	246.75	+4.25	247.75-44.50
Aug	248.00	+4.50	249.25-46.50
Sept	250.75	+5.75	252.00-49.50
Oct	251.50	+4.00	255.50-51.50
Nov	254.00	+4.00	254.00-51.50
Dec	257.50	+6.00	—

Turnover: 3,818 (2,907) lots of 100 tonnes.

GOLD MARKETS

Gold fell $4 an ounce from Thursday's close in the London bullion market yesterday to finish at $421-$422. Trading was extremely dull and uneventful with nothing in the way of fresh news ahead of the weekend to stimulate much movement. The metal opened at $424¼-425¼ and traded between a high of $424¼-$425¾ and a low of $419¼-$420¼.

LONDON FUTURES

Month	Yesterday's close	+ or —	Business Done
	$ per troy ounce		
April	421.50-22.2	−4.350	425.20-21.8
May	424.00-25.0	−4.800	425.00
June	427.10-27.4	−5.600	430.70-26.0
July	430.50-31.5	−4.800	—
August	433.50-34.0	−5.650	437.00-35.0
Sept	436.60-38.0	−4.900	—
Oct	439.80-41.5	−4.900	—

Turnover: 708 (759) lots of 100 troy ounces.

AMERICAN MARKETS

NEW YORK

CHICAGO

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
April	1121.5	1122.0	1115.0	1124.0
May	1127.0	1129.0	1117.0	1130.0
June	1136.2	—	—	1139.2
July	1145.3	1148.0	1136.0	1148.5
Sept	1164.3	1164.0	1155.0	1167.3
Dec	1192.5	1195.0	1185.0	1195.6
Jan	1202.0	—	—	1205.1
March	1221.4	1221.0	1214.0	1224.5
May	1240.9	—	—	1244.0
July	1260.4	—	—	1263.6

WHEAT 5,000 bu min. cents/60 lb bushel

	Close	High	Low	Prev
May	364.0	364.4	357.8	359.0
July	374.2	374.4	368.0	369.2
Sept	382.4	382.4	376.4	377.5
Dec	395.4	395.4	390.0	391.8
March	405.0	407.0	403.0	402.4
May	412.0	412.0	412.0	407.4

SPOT PRICES—Chicago loose lard 17.00 (same) cents per pound. New York tin 640.0-649.0 (645.0-650.0).

Tanker drivers lift threat

BY OUR LABOUR STAFF

LEADERS of more than 1,600 BP tanker drivers have called off a threat of industrial action after new talks with management have improved a 6.4 per cent pay offer to 7 per cent.

The new deal is in line with settlement at other oil companies earlier this year. The drivers' leaders had threatened a series of sanctions against the company including refusal to co-operate in talks to improve productivity.

It is presented to drivers at workplace meetings next week.

Pay body deal

AGREEMENT has been reached after more than two years of discussion on a new negotiating body to determine the pay and conditions of 6,000 local authority chief officers and deputies.

The trade union side is expected to lodge its annual pay claim when the new body holds

STOCK EXCHANGE DEALINGS

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated, denominations are 25p and prices are in pence. The prices are those at which the business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange Talisman system; they are not in order of execution but in ascending order which denotes the day's highest and lowest dealing prices.

For those securities in which no business was recorded in Thursday's Official List, the latest recorded business in the four previous days is given with the relevant date.

‡Bargains at special prices. ⊕Bargains done the previous day. ΔBargains done with non-member or executed in overseas markets.

Dalgety 4.95pcPf (£1) 56 60. 6½pcDb 1885-05 £64¼ (6/4)
Datastream (5p) 247 8 50 2. New (5p) (FpILA 6/5/85) 238 40 2 3 4 5 6 7 8 9 50 1 2 2 5
Davies and Metcalfe (10p) 53½ (5/4)
De La Rue 2.45pcPf (£1) 28
Debenhams 5½pc2ndDb 1979-83 £99¼ (6/4). 7¼pc2ndDb 1901-99 £72 (31/3). 8½pcLn 1966-91 £68¾. 7¼pcLn 2002-2007 £63¼. 7¼pcLn 2002-07 £62¼. 11pcLn 1903-96 £118
Delta Grp 6pc)stPf (£1) 46 ½ (6/4). 7¼pc Db 1965-99 £78. 10¼pcDb 1995-90 £86 ½ (8/4). 7.5pcLn 1984-60 £69 79 (31/3)

9pcLn 1999-92 £76¼ ½
Laing (John) A 95 8 7 9
Laird Grp 8pcLn 1998-93 £83 8 (31/3)
Laporte Industries 7½pcPf (£1) 55 (5/4). 16¼pcDb 1094-98 £87¼ (31/3)
Latham (James) 8pcPf (£1) 88⊕
Laurence Scott 6pcDb 1865-90 £68¼ (31/3)
Lee Cooper 7pcPf (£1) 66
Leigh Interests 19pcLn 1984-95 £68 (6/4)
Lewis (John) 6pcPf (£1) 47 6 (6/4)
Lewis's Invest 6½pcDb 1995-90 £74 (6/4)
Lex Service 2nd Ser Wts to subscribe 197 9. 8½pcLn 1992-07 £75 9¼ (31/3)
Lindustries 6¼pcDb 1984-80 £74¼ (5/4)

Single Group 12pcLn 1999-91 £285 (31/3)
Sirdar 7½pcPf (£1) 57 (31/3)
Smith Nephew Assoc 5½pcPf (£1) 43½
Smith (W. H.) Son (Hldgs) B (10p) 48 (6/4). 4½pcDb 1870-85 £87¼ (9/4). 5½pcLn £40
Smiths Industries 3½pcDb 1985-2003 £92¼ (31/3). 7½pcLn 1985-90 £187 (5/4)
Sotheby Parke Bernet Go 9½pcPf (£1) 98
Southend Stadium (5p) 21 (6/3)
Sparrow (G.W.) 6½pcLn 1950-95 £235 (31/3)
Spillers 7pcDb 1878-83 £99 (6/4). 7½pc Db 1984-80 £80¼ ½
Sing Furniture Hldgs 10pcPf (£1) 98½
Standard Industrial Gp 11¼pcPf (£1) 74

New Throgmorton 4pcLn 1983 £97 (31/3)
New Tokyo Wts 04 (6/4)
Northern American 5½pcPf £44 (6/4)
Pentland Invest 5pcPf £80 (5/4)
RIT Northern Wts 63 4 5. 4.825pcPf (£1) 58½ (5/4). 6¼pcDb 1982-87 £61 2 (6/4). 5¼pcDb £42 (31/3)
Raeburn Invest 5pcPf £44
Rights Issues Invest Inc 45. 7½pcPf (£1) 86 (5/4)
River Plate Gen Wts Dfd 37
Scottish Mercantile 249 (5/4)
Scottish Eastern 4½pcPf £40½. 12¾pcDb 2912 £104 ¼ (6/4)
Scottish Invest 3.5pcPfd £44 (5/4)
Scottish Mortgage Tst 5pcDb 1890-95 £85 (31/3)

COMMERCIAL INDUSTRIAL

A—B

AAH Hldgs 8pcPf (£1) 48½ (6/4)
A.C. Cars (5p) 47 (31/3)
AE 8¼pcDb 1829-85 £80. 6pcLn 1980-1894 £64 (31/3)
AECI 5½pcPf (R2) 38 (8/4)
Al Industrial Prods 6pcPf (£1) 27 (5/4)
AMEC 15pcLn 1992 £111¼ ½ ¾ 2
A-R Television 0.95pcPf (£1) 75⊕
Aaronson Bros 4.25pcPf (£1) 48 (5/4)
Abwood Machine Tools 6pcPf 1887 (£1) 165 8
Acrow 10¼pcLn 1964-88 £77. 8pcLn 1992-2902 £38 ½
Advance Services 8pcPf (£1) 67 (31/5)

Courtaulds Knitwear 7½pcPf (£1) 55. 8¼pcDb 1984-89 £78 (31/3)
Cowan, de Groot 10½pcPf (£1) 86 (8/4)
Croda Chemicals Intnl 8pcPf (£1) 60½
Croda Intnl 19¼pcLn 1991-96 £83½ (31/3)
Croda World Traders 7pcPf (£1) 48
Crosby Woodfield 10pcPf (£1) 71 (31/3)
Crough Grp 9pcLn 1903-98 £91
Crown House 7½pcPf (£1) 50 3
Crowther (John Edward) (Hldgs) 3½pcPf (£1) 53 (6/4)
Crystalate Hldgs 8pcPf (50p) 24. 9¼pcLn 1009-2900 £248 50 3 (5/4)

ORG 7¾pcLn 1986-91 £75½ 6½ (6/4)

Kalamazoo 8½pcLn 1987 £82
Kayser Bondor 8½pcDb 1982-87 £75 (5/4)
Kenning Motor Grp 5½pcPf (£1) 45 (6/4). 7pcPf (£1) 54 (5/4)
Kent (G. B.) Sons 5pcPf (52½p) 14
Keppel Shipyard (S$1) 132 (31/3)
Kraft Prods (10p) 33
Kwik-Fit (Tyres Exhausts) 8pcLn 1979-85 £110 (5/4)
Kynoch (G. G.) 45 (6/4)

L—M

Ladbroke Group 135 7 8 41½ 1 2 7 8

Schneidars (S.) Son 6pcPf (2009 or after) (£1) 52 (5/4)
Scotcros 8½pcPf (£1) 81 (31/3). 6pcLn 1986-86 £75½ (5/4)
Sears Engineering Hldgs 8pcPf (£1) 45 (8/4)
Sears Hldgs 7½pcPf (£1) 84½ (31/3). 7pc APf (£1) 64. 12½pcPf (£1) 98. 7¼pc Ln 1992-97 £75
Sears Roebuck ($0.75) $33¼⊕
Securicor Group 8½pcPf (£1) £20 (5/4)
Sellincourt 8¼pcLn 1983-88 £75
Sharpe (C.) (£1) 49 6 (5/4)
Sharpe (W. H.) A NV 573 (5/4)
Shaw Carpets 10pc2ndPf (£1) 72½
Sidlaw Group 7½pcLn 29993-98 £80½
Simpson (S.) 78

EUROPEAN OPTIONS EXCHANGE

Series			June Vol.	June Last	Sept. Vol.	Sept. Last	Dec. Vol.	Dec. Last	Stock
D/FL	C	F.275	—	—	—	—	6	6.60	F.976.10
D/FL	C	F.280	4	1.20	—	—	—	—	"
D/FL	P	F.260	14	1	—	—	—	—	"
D/FL	P	F.265	1	3.50	1	7	4	11	"
D/FL	P	F.275	2	7.50 A	—	—	—	—	"
SILV	C	$10	28	1.90	—	—	60	2.80	$11.04
SILV	C	$11	8	1.20	13	1.80	19	2.50	"
SILV	C	$12	2	0.60	43	1.20	100	1.60	"
SILV	P	$10	4	0.35	—	—	—	—	"
SILV	P	F.11	—	—	10	1 8	—	—	"
			May		Aug.		Nov.		
GOLD	C	$425	1	19	—	—	8	43	$423
GOLD	C	$450	168	7.50	41	24	3	35	"
GOLD	C	$475	140	3.50	20	15	—	—	"
GOLD	C	$500	—	—	31	10	1	19	"
GOLD	C	$550	2	0.50	2	5	10	9	"
GOLD	P	$375	13	2.50	—	—	—	—	"
GOLD	P	$400	24	3	10	15	2	17 B	"
GOLD	P	$425	—	—	1	23	—	—	"
GOLD	P	$450	7	30	—	—	—	—	"
GOLD	P	$475	3	55	—	—	—	—	"
12¾ NL 81 87-91									
	C	F.190	—	—	4	12.70	—	—	F.132.80
	C	F.127.50	7	5.10	25	5.10	—	—	"
	C	F.130	10	2.80	5	3	—	—	"
	C	F.135	306	0.20	50	0.90	10	1.50	"
	P	F.127.50	—	—	10	1	—	—	"
	P	F.130	200	0.90	3	2	—	—	"
	P	F.135	12	6	—	—	—	—	"
10¼ NL 80 88-95									
	C	F.112.50	—	—	317	1.20	—	—	F.113.10
11¼ NL 82 88-92									
	C	F.110	10	5.40	—	—	—	—	F.113.50
	C	F.115	6	0.80	—	—	—	—	"
	C	F.117.50	50	0.10	—	—	—	—	"
10 NL 82-11 86-88									
	C	F.107.50	25	2.90 A	—	—	—	—	F.110.40
	C	F.110	22	0.90	—	—	—	—	"
	P	F.110	5	1	—	—	—	—	"
7¾ NL 82 90-93									
	C	F.100	26	1.20	—	—	—	—	F.100
	P	F.100	96	1.20	—	—	—	—	"
7½ NL 86 87-90									
	C	F.100	—	—	250	0.70	—	—	F.98.80
	P	F.97.50	—	—	60	1.10	40	1.70	"
			April		July		Oct.		
AKZO	C	F.55	196	4	—	—	60	9	F.59.10
AKZO	C	F.60	47	0.80	25	4.20	—	—	"
AKZO	P	F.60	—	—	—	—	62	9.50	"
AMRO	C	F.80	—	—	47	6.50	—	—	F.81.70
AMRO	C	F.85	—	—	117	3	72	4.80	"
GIST	C	F.150	46	9	—	—	—	—	F.154.00
HEIN	C	F.120	—	—	131	21.30	—	—	F.140.30
HEIN	C	F.160	—	—	89	16.80	—	—	"
HEIN	C	F.140	—	—	172	8	—	—	"
HOOG	C	F.17.50	—	—	—	—	40	7.50	F.23.90
HOOG	C	F.22.50	48	1.60	—	—	—	—	"
HOOG	C	F.25	—	—	116	9.30	—	—	"
KLM	C	F.120	44	28	—	—	—	—	F.146.50
KLM	C	F.150	150	1.70	99	10	—	—	"
KLM	C	F.160	187	0.60	85	6.90	—	—	"
KLM	C	F.170	70	0.10	124	3	—	—	"
KLM	P	F.150	—	—	123	5.60	—	—	"
KLM	P	F.140	158	1.10	42	9.90	—	—	"
KLM	P	F.150	180	4.50 A	—	—	—	—	"
NEDL	P	F.90	—	—	107	5.50	—	—	F.102.70
NATN	C	F.150	—	—	54	7	—	—	F.142.50
PHIL	C	F.30	—	—	159	15.60	—	—	F.45.80
PHIL	C	F.32.50	—	—	55	13	—	—	"
PHIL	C	F.35	60	10.40	—	—	264	11.50	"
PHIL	C	F.40	312	6.50	510	6.90	137	7.20	"
PHIL	C	F.45	—	—	942	3.90	611	4.90	"
PHIL	P	F.40	—	—	210	1	645	1.40	"
PHIL	P	F.45	—	—	625	2.50	131	5	"
RD	C	F.90	43	22.50 R	—	—	—	—	F.112.50
RD	C	F.100	286	12.50	98	12.50	58	13.20	"
RD	C	F.110	314	6.70	299	7	629	7.80	"
RD	P	F.110	—	—	48	6	—	—	"
UNIL	C	F.200	02	13.60	1	19	60	24	F.215.80
UNIL	C	F.220	11	1.20	42	8.80	18	11.60	"

TOTAL VOLUME IN CONTRACTS 12,740

INTERNATIONAL COMPANIES and FINANCE

Thyssen warns on payout after first half sales fall

BY JAMES BUCHAN IN BONN

THYSSEN, the diversified industrial group that is West Germany's largest steelmaker, warned yesterday that it faced difficulty maintaining its dividend for the current year, even at the 1981-82 reduced level of 4 per cent.

Dr Dieter Spethmann, chief executive of the group, told shareholders yesterday that sales had fallen in all four divisions in the first six months up to the end of March, and were down 9 per cent on the same period of 1981-82. However, losses already made on steel and special steels are so large that the question of a dividend for 1982-83 must remain open for the moment," he said.

If there is no payout, this would be the first time in recent history for the group, which has reported losses of over DM 60m ($25m) in each of the past two years and has not yet been able to carry through a planned rights issue.

Dr Spethmann also confirmed what had been known in the Ruhr for some time that the planned merger of Thyssen's steel division and Krupp Stahl, the steelmaking subsidiary of the Fried Krupp group, faced a number of financial hurdles.

The chief problem, according to Dr Spethmann, was the liabilities Krupp Stahl would bring to the new concern, although this could be solved with government aid. Bonn has already expressed itself ready to put up money for the merger. Dr Spethmann added, however, that the two parent groups had agreed to meet the new concern's expected losses for a "certain time period."

As part of the merger, Thyssen plans to cut its crude steel capacity by some 30 per cent. Last year, Europe's largest private steelmaker produced 10.2m tonnes, "a wholly unsatisfactory" level compared with 16m tonnes in 1974, but production had fallen another 27 per cent in the first half of the current year.

Netherlands bio-chemicals group ahead

By Walter Ellis in Amsterdam

GIST-BROCADES, the Dutch bio-chemicals and pharmaceuticals group, raised earnings by 30 per cent last year and is proposing an increased dividend per share of Fl3.20 or, at shareholders' discretion, one new share for every 40 already held.

Net profit went up from the 1981 total of Fl28.7m to Fl37.3m ($13.7m). The dividend in 1981 was Fl2.50 a share cash or one

● Van Berkel, the industrial cooling and machine tools group, reports a loss of Fl42m for 1982, double that of the previous 12 months. Of the loss, Fl29m was incurred by two divisions, Berkel Systems of the U.S., and industrial refrigeration.

Berkel Systems is to be closed, at a cost of Fl9.2m (included in the 1982 results), with a loss of 100 jobs. It is hoped that the closure, together with restructuring elsewhere within the group, will make possible considerable savings

Dome Petroleum may sell its interest in gold mining

BY ROBERT GIBBENS IN MONTREAL

DOME PETROLEUM has again raised the possibility of selling its long-standing 40 per cent interest in Dome Mines, Canada's largest gold-mining group, which at present has a market value of around C$700m.

Dome, whose stock is listed in New York, said in a regular 10K filing with the Securities and Exchange Commission that further asset sales are likely because its cash flows are still insufficient to carry a debt load totalling C$6.5bn at the end of 1982.

Dome has already sold some foreign assets to UK interests, but has been caught by adverse oil-market developments. The decline in oil prices has reduced the value of its U.S. properties which have been for sale for more than a year.

Earlier this year, Dome sold half its interest in TransCanada PipeLines. These assets sales raised more than C$500m. A C$2bn debt repayment to its Canadian banks which was due on March 31 has been extended until May 2.

Dome says continuing talks with Canadian and foreign lenders will require several more months to complete. Its total rescue package is now unlikely to be placed before shareholders until the autumn.

However, Dome adds that operating and capital needs plus interest and Preferred share dividends for 1983 can be met without additional funds, provided that the banks "continue to defer certain debt repayments."

Meanwhile, retiring Dome chairman, Mr Jack Gallagher, will continue as a consultant for the company and will receive C$27,500 a month for eight years, or a total of C$2.6m. If his employment is terminated before the eight years are up, he still gets the full C$2.6m.

At the end of 1982, Mr Gallagher owned almost 5.4m shares of Dome, or nearly 2 per cent of outstanding equity.

Sharp rise in earnings at First Chicago

By Richard Lambert in New York

FIRST CHICAGO Corporation, parent of the 11th largest bank in the U.S. has opened 1983 with a 31 per cent rise in earnings in the first quarter. Net income in the period rose from $33.2m to $43.5m or from 83 cents to 96 cents.

Mr Barry Sullivan, First Chicago's chairman, attributed the increase to higher net interest income and non-interest income, offset by increases in non-interest expense and an increased provision for credit losses.

The provision for credit losses in the latest period was $35m, up from $12.5m a year earlier but unchanged from the final quarter of 1982. Non-performing assets amounted to $876m at the end of March, a rise of $29m on the end-December level.

Mr Sullivan told a Press conference that he believed non-performing assets could increase somewhat more in the coming months, but added that they might be down by the end of the year.

The bank's net interest income in the first quarter amounted to $192.9m, compared with $151.8m in 1982. Non-interest income rose from $67.4m to $82m.

UBS spells out Italian loss

By Our Financial Staff

UNION BANK of Switzerland lost less than $600,000 in the collapse of Italy's Banco Ambrosiano last year.

Replying to shareholders' questions at the annual meeting, the bank, one of the big three commercial banks in Switzerland, said it had less than SwFr 3bn ($1.76bn) or 2.5 per cent of total assets, in outstanding claims against Mexico, Brazil and Argentina.

Steel operations continue to depress BHP returns

BY LACHLAN DRUMMOND IN SYDNEY

THE MILLSTONE of its steel operations held Broken Hill Proprietary to net earnings of A$29.2m (US$25.4m) in its third quarter to the end of February. After its own form of inflation accounting the company is reporting a loss of A$31.1m.

BHP is issuing quarterly reports for the first time this financial year and therefore no comparisons are available. However, after nine months, net earnings totalled A$164.7m, only A$5m ahead of the depressed final six months total for 1981-82.

Using the company's fixed asset valuation adjustment the nine-month result was also an overall net loss of A$24.7m, with the additional depreciation charged on revalued assets totalling A$189.4m. Before tax, interest and the fixed asset utilisation charge (BHP's form of depreciation), quarterly profits were A$168.2m and for the nine months A$614.8m. For fiscal 1981-82 the total was A$995.6m.

The latest quarterly net profit is entirely attributable to the oil and gas division, with a A$77.1m contribution, and the minerals division, with A$7.6m. Steel division losses totalled A$53.1m after taking in A$33m of abnormal costs from restructuring and retrenching in the period. Other areas also had modest losses.

After taking in the additional depreciation the oil and gas division was the only profitable sector with earnings of A$74.1m against a A$90.1m deficit on steel and A$15.1m of deficits from other divisions.

After nine months, unadjusted losses from steel were A$117.4m, limiting overall profits for the period to A$164.7m. Under the BHP inflation accounting method the nine-month steel loss was A$237.1m and the oil and gas profit was A$206.3m.

The latest results came after tax charges of A$28.1m for the quarter and A$144.2m for the nine months, but excluded minority deductions of A$1.5m and A$24.7m respectively, and extraordinary debits of A$14.4m and A$24.1m.

Dow Jones opens year firmly

BY OUR FINANCIAL STAFF

DOW JONES, which publishes the Wall Street Journal and Barron's, has increased net profits by nearly 30 per cent to $23.5m for the first quarter of 1983.

Revenues rose from $170.7m to $196.8m, the company said, pointing out that the three months saw further strong performances from the Wall Street Journal and in electronic publishing.

Net income for the quarter was reduced by a write-down of $1.8m in the book value of Book Digest Magazine. This was offset in part by a gain on the sale of an investment. But for these items net income in the quarter would have been only 22.2 per cent higher.

Commenting on the results, the company said the quarter was marked by the launch of the Wall Street Journal-Europe, continued growth by the domestic Wall Street Journal and electronic publishing and gains at Barron's and the Ottaway Community Newspaper Group, both of which had been hit in 1982 by the recession.

Fresh move on Catalana bank rescue

THE SPANISH authorities have been asked for more generous financial concessions to allow the takeover of the troubled Banca Catalana by Catalonia's powerful savings bank, La Caixa, writes David White in Madrid.

The board of La Caixa, the biggest institution of its kind in Spain, has given its approval in principle to the proposed takeover of Banca Catalana and its industrial banking subsidiaries, but has made this conditional on increased financial aid.

The proposal was put to La Caixa by the Bank of Spain and the semi-state Deposit Guarantee Fund some weeks ago in a bid to find a local solution for Catalana, which was set up originally to remedy the lack of a strong Catalonia-based bank reflecting the region's industrial importance.

Failing this, the likelihood is that, in the absence of a private buyer, Catalana would end up in the public sector. However, Banco Exterior, the state-controlled export bank which recently took over one of the banks controlled by Catalana, Banco de Alicante, has denied having any plan at present to take over other parts of the group.

Bridgestone Tire income drops 18%

By Our Financial Staff

BRIDGESTONE TIRE, Japan's largest tyre manufacturer, reports an 18 per cent fall in group net profits to Y13bn ($54.7m) for 1982. Sales were marginally lower at Y712bn from Y724bn previously but earnings per share were cut sharply from Y33.34 to Y24.18.

The fall in group profits is the latest in a succession of setbacks that has taken Bridgestone from its peak net figure of more than Y55bn in 1979 down to last year's Y13bn. The fall has come in spite of a considerable growth in sales, from Y526bn to Y712bn, over the same period.

For 1982, operating profit was also down at Y47bn from Y54bn along with pre-tax profit down almost 24 per cent at Y35.3bn.

There was better news for the company, however, from Iran, its largest export market after the U.S. The Iranian state run Plastic Materials Procurement and Distribution Centre announced yesterday plans to purchase $200m worth of tyres from five Japanese manufacturers, with between $60m and $70m going to Bridgestone.

The other four companies involved are Sumitomo Rubber, Yokohama Rubber, Toyo Rubber and Ohtsu Tire and Rubber.

Bridgestone has been involved deeply in Iran since it established a subsidiary there in 1973. In July of last year it received the first Y4.3bn instalment of its compensation from the Japanese government overseas investment insurance scheme for the nationalisation of its Iranian holding.

For 1983 the company is forecasting a return to growth with net profits expected to rise to Y16bn

● Trading volume of Japanese public bonds in the Tokyo over the counter market rose to Y332,889 bn in the year to March 31 from Y297,500bn in fiscal 1981, according to the securities dealers' association.

AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

Abbey Unit Tst. Mngrs. (a)
1-3 St Paul's Churchyard EC4P 4DX 01-236 1833

High Income				
Gilts & Fixed Int.	113.2	119.8	+0.1	10.45
High Inc Equity	46.8	50.3	.....	7.44
[illegible]				

Britannia Gp. of Unit Trusts Ltd. (a)(c)(g)
Salisbury House, 31, Finsbury Circus, London EC2 01-638 0478/0479 or 01-588 2777
Britannia Viewpoint 01-673 0048

UK Specialist Funds				
Assets	142.5	153.6	-0.5	3.96
Recovery	52.5	56.4	+0.3	3.09
Smaller Cos.	79.3	85.5	+0.3	2.05
Spec. Mkt. Sits.	72.7	78.4	-0.3	1.39
UK Blue Chip	49.5	53.4	-0.1	3.22
High Income Funds				
Nat. High Inc.	95.6	103.1	-0.4	7.05
Extra Inc.	40.9	44.1	.....	8.97
[illegible]				

Duncan Lawrie Fnd. Mgrs. (g)
1, Hobart Place, London SW1W 0HU. 01-245 9321

Growth	17.9	19.2	-0.4	3.50
Income	32.7	35.1	+0.1	8.80
[illegible]				

Henderson Administration (a) (b) (c)
Premier UT Admin., 5, Rayleigh Road, Hutton, Brentwood, Essex. 0277 217238

[illegible]

Lloyd's Life Unit Tst. Mngrs. Ltd.
2, St Mary Axe, EC3A 8BP. 01-920 0311

Equity Accum. (2)	70.3	75.6	+0.1	2.78
Equity Dist.	53.5	57.6	.....	2.78

National Westminster (a)
161, Cheapside, EC2V 6EU. 01-726 1999

Capital (Accum.)	182.9	196.6	+0.7	1.68
Energy Tst.	47.2	50.7	+0.4	1.25
[illegible]				

Save & Prosper—continued

Overseas Funds (z)				
Europe	132.2	142.3	+0.7	1.08
Japan	160.2	172.4	-1.1	0.56
S.E. Asia	78.3	84.2	+1.7	1.12
U.S.	202.9	218.3	+0.4	0.55
Sector Funds				
Commodity	149.5	160.9	+0.5	1.96
Energy	123.0	132.4	+0.4	2.42
Exploration Fund (z)	33.6	36.1	+0.3	0.24
Financial Secs.	135.0	145.3	+0.4	2.77
New Technology (z)	79.4	85.4	+0.1	0.23
Scotbits	64.7	69.9	+0.1	2.89
Special Situation Fd.	51.5	55.6	+0.2	2.73
[illegible]				

Tyndall Managers Ltd.(a)(c)(c)
18, Canynge Road, Bristol. 0272 732241

Australian Securities	47.2	50.3	+0.4	2.58
(Accum. Units)	47.2	50.3	+0.4	2.58
Capital	[illegible]	[illegible]	+0.2	3.50
(Accum. Units)	[illegible]	[illegible]	+0.2	3.50
Exempt	159.4	[illegible]	+0.2	7.95
(Accum. Units)	[illegible]	[illegible]	+0.2	7.95
Far Eastern	89.7	95.5	-0.5	1.08
(Accum. Units)	[illegible]	[illegible]	-0.6	1.08
Fin & Prop.	28.6	[illegible]	+0.2	4.03
(Accum. Units)	41.0	[illegible]	+0.2	4.03
Gilt Capital Trust	101.1	105.1	.....	8.06
(Accum. Units)	102.1	106.1	.....	8.06
[illegible]				

INSURANCES

[illegible]

MARKET REPORT

Late burst of strength lifts equities to record highs

Gilts basically firm despite £1bn. Government funding

Account Dealing Dates
Options

*First Dealings	Declarations	Last Dealings	Account Day
Mar 21	Apr 7	Apr 8	Apr 18
Apr 11	Apr 21	Apr 22	May 3
Apr 25	May 5	May 6	May 16

* "New-time" dealings may take place from 9.30 am two business days earlier.

A typical last session of a long trading Account yesterday saw London equities poised for most of the time to break existing records. And, after the official, 3.30 pm, close, demand for the trading Account beginning on Monday left the FT Industrial Ordinary Share Index 2.8 up at a best-ever 675.0. FT-Actuaries Indices also achieved records with the 750 All-Share Index gaining 0.3 per cent to 423.01.

Neither the authorities' continued reluctance to give in to pressures for lower interest rates nor equity market end-Account influences failed to shake underlying confidence about an early fall in clearing bank base rates. For the second successive day, the Bank of England dashed hopes of a cut in money market intervention levels, but short-term rates stayed soft and market faith was later justified by the sharply reduced rate on this week's offer of Treasury Bills.

The pattern of equity trade yesterday was broadly similar to that experienced earlier in the week. Investors remained selective in their demands, but recently popular sectors such as Stores, Buildings and other consumer-orientated issues yesterday encountered some profit-taking. In contrast, certain Electricials returned to favour, including GEC, Plessey and Racal Electronics. Beecham advanced and featured the 30-Share constituents, about one-third of which ended the session a shade easier.

Sterling continued to dominate sentiment in British funds. Renewed investment demand carried al maturities higher initially, but the gains were later pared. The 3.30 pm announcement of new Government funding via the issue of £1bn Treasury 10½ per cent 1989, payable £25 at tender next Wednesday, halted dealings for the customary forty-five minutes. When business resumed, longer-dated Gilts moved up ¼ and sometimes more, but medium-life stocks eased that much. The shorts held steady. Over the shortened week, the FT Government Securities Index rose 1.08 to 81.90; on Wednesday, this measure touched its highest level since last November.

Eagle Star good late

A mediocre day in Insurances was enlivened by a late spurt in Eagle Star, which closed 23 higher at a 1982-83 peak of 408p on institutional buying in a market short of stock; the annual report is published today.

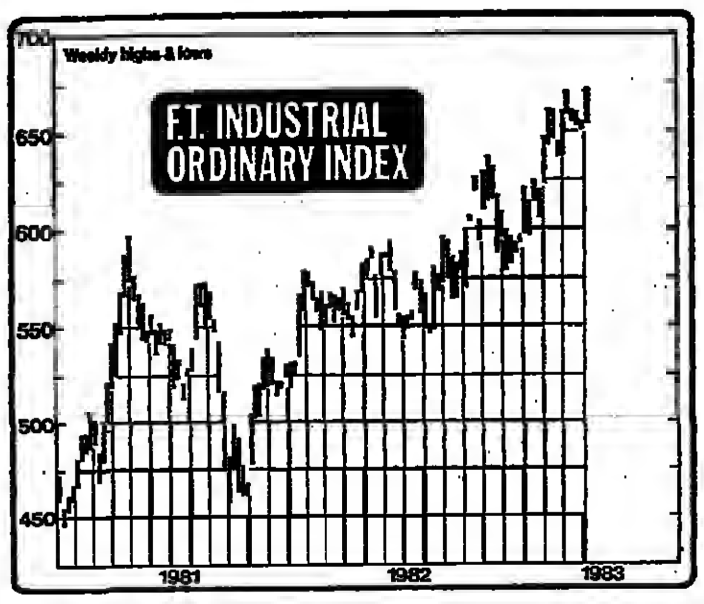
A dull market of late on the proposed £101m rights issue, Standard Chartered rallied 10 to 473p. Elsewhere in a quiet banking sector, English Association found support and put on 15 to 120p. First National Finance Corporation edged forward a penny to 48½p following speculative support.

After Thursday's useful gains on cheaper money hopes, leading Buildings encountered a certain amount of profit-taking. However, quotations trended firmer again in the late dealings and closing falls were generally small.

Takeover developments, both actual and rumoured, dominated proceedings elsewhere in the sector: Ibstock Johnsen dropped to 114p before settling a net 8 down at 125p on Redland's decision not to proceed with its proposed acquisition of the company. On the other hand, Steetley, in receipt of an offer from Hepworth Ceramic, jumped to 232p on speculation that Redland may launch a counter, but the Redland financial director's denial of bid intentions regarding the company left the close just 5 up on balance at 221p. Redland ended 5 off at 250p, after 247p, while London Brick, whose bid for Ibstock Johnsen is awaiting the outcome of a Monopolies Commission investigation, softened a penny to 152p.

ICI fluctuated narrowly before settling 2 cheaper on balance at 396p. Cautious comment on the annual results unsettled Croda International, which reacted 8 to 112p, but buying in front of Monday's half-timer lifted James Halstead that amount to 93p. Amersham International firmed 7 to 258p, while Laporte, 275p, and Wolstenholme Rink, 117p, gained 4 apiece.

The subject of substantial institutional interest earlier in the week, leading Stores paused for breath, and after a subdued trade, finished a shade easier for choice. Burton gave up a few pence to 342p, but Marks and Spencer held at 214p — a gain on the week of 22. W. H. Smith "A" continued to attract support in front of the annual results, scheduled for April 20, and firmed 4 to record a two-day gain of 24 to 258p. Consumer spending hopes against buoyed Comet, 7 up at 265p, but recently firm Currys eased a couple of pence to 300p. Mellins were briskly-traded and dipped to 145p before rallying to finish a net 6 to the good at 158p. Owen Owen, on the other hand, encountered late profit-taking and shed 6 to 168p, while Sumrie, a rising market of late on the announcement that the Tillman Group had gained control, eased 5 to 85p and retaining a gain on the week of 17. Rowland Gaunt fell 10 to 72p in a narrow market folowing the reduced first-half deficit. Mail-orders were again overshadowed by the poor annual results from Grattan, which dipped to a new 1982-83 low of 56p before reverting to unchanged at 58p. Empire, 62p, and Freemans, 66p, gave up 2 apiece.



Electro-Protective up

Late demand helped the Electrical majors to close at, or near, the day's best levels. Racal continued the recent recovery with a rise of 14 to 466p, while GEC firmed 6 to 212p. News of a £10m British Telecom contract helped to push Plessey up 10 more to 568p and Thorn EMI added 8, making a gain of 27 on the week, at 510p. Elsewhere, Electro-Protective stood out with a rise of 19 to 210p, while Hawley put on 7 to 175p in sympathy. Still reflecting speculation concerning Tyco Laboratories' near— 29 per cent stake, Muirhead appreciated 12 for a two-day jump of 24 at 158p, after 160p. Memec put on 15 to 375p, Fidelity Radio 14 to 177p and Eurotherm 10 to 325p. Newman Industries hardened a couple of pence to 17p and Highland advanced 5 to 51p.

Leading Engineers closed a few pence easier after another uninspiring trading session. Elsewhere in the sector, Simon Engineering responded to a report that the company is expected to win a £400m contract for a chemical complex in northern Sumatra. Acquisition news left Habit Precision 2 dearer at 55p, while Birmid Qualcast, 1½ better at 35½p, reflected Press mention. Continued talk of a possible injection of assets left W. E. Norton 2 firmer at 20p, while Wellman gained 3 further to 27p on vague rumours of a U.S. bid. Fresh support lifted G. M. Firth 7 to 233p, but Senior Engineering gave up 2 to 26½ following disappointing preliminary figures. Weir Group encountered occasional selling and lost 3 to 41p, while Babcock, a good market of late on investment demand, reacted 3 to 162p, after 160p, following sporadic profit-taking.

Business in Foods contracted, but the undertone remained firm. Avana, a god market earlier in the week, rose 10 more to 478p following acquisition news. Tavener Rutledge jumped 6 to 30p; Okhai of Dundee has disclosed a 5.4 per cent stake in the company. Retailers featured Argyll which, on buying that developed late on Thursday, gained 8 to 128p.

Ladbroke rose 5 for a two-day gain of 15 to 205p in response to the better-than-expected preliminary profits and the chairman's cheerful statement.

Turner & Newall firm

Turner and Newall closed 5 better and 9 up on the week at 45p, after 46p, following buying on recovery hopes and a broker's circular. Elsewhere in miscellaneous industrials, Beecham stood out among the firm leaders with a gain of 13 to 393p. Bowater, reflecting revided takeover hopes, rallied 7 to 179p. Glaxo picked up from 860p to finish unaltered but still 50 dearer on the week at 870p ahead of Monday's interim figures. BTR also rallied late to close a couple of pence harder at 430p, after 422p, following news that the group had acquired 19.55m shares in Thomas Tilling, well short of the 43.65m target required to secure a 14.99 per cent stake; Tilling edged forward a penny to close with a rise of 50 on the week at 176p. Sidlaw put on 12 to 332p in response to Press comment and George Wills rose 6 to 175p following the results. Scapa gained 12 to 218p while improvements of 10 were seen in Beatson Clark, 208p, Carlton Industries, 130p, and Centreway, 230p. Still reflecting favourable results, G. W. Sparrow rose 6 to 74p and United Parcels gained 7 more to 135p. Elswick Hopper hardened 1½ to 9p on recovery hopes. Awaiting the outcome of the talks between the television companies and the Football League regarding the Telejector deal, London and Liverpool Trust dropped to 400p before rallying to close a net 2 dearer at 418p. James Wilkes lost 15 to 220p on profit-taking.

Leisure Industries rose 10 to 300p following Riley Leisure's agreed share-exchange offer for the company, currently worth 324p per share. Trident TV A, dull earlier in the session on worries that Pleasurama's bid for the company may attract a Monopolies Commission reference, picked up in late dealings to close 2 dearer on balance at 97p. Barr and Wallace Arnold Trust A attracted revived speculative buying and put on 15 to 100p. Norton and Wright firmed 5 for a gain on the week of 40 to 125p on the board's indicated profits and dividend and the proposed scrip issue.

Generally firmer conditions prevailed among Motor and Aircraft Component manufacturers. Flight Refuelling stood out with an advance of 13 to a 1982-83 peak of 293p, while Solex, preliminary results due next Tuesday, rose 3 to 31p.

Properties, largely neglected in the general advance on Thursday, took heart from the City Corporation's prediction of a rent explosion in the City of London. Land Securities and MEPC both improved 3, to 316p and 217p respectively. Elsewhere, a speculative flurry lifted Marler Estates 10 to 78p. Scottish Metropolitan gained the turn to 85p following the interim results and intimated final dividend. Sheraton Securities hardened ½ to 14p; Mr Clarke, a director of the company, and associates, have increased their stake in the company to 15.43 per cent.

Shippings made a mixed showing. Lyle fell to 175p following the preliminary results, but rallied to finish only 3 cheaper on balance at 182p. British and Commonwealth reacted 20 to 820p, but Walter Runciman continued to make progress with a rise of 5 to 77p and Common Bros. closed similarly dearer at 107p. The proposed rights at 10p per share issue to relieve the company's pressing liquidity situation caused a late reaction of 15 to 80p in Milford Docks.

Up 65 on Thursday following the excellent results and proposed scrip issue, Bats reacted to scattered profit-taking and eased 25 to 690p, still retaining a gain on the week of 35.

Trusts took on an irregular appearance. Capital shares to make fresh headway included Altifund, 276p, and Dualvest, 545p, both around 5 higher. Among Financials, Exco International reacted to 680p before rallying in the late dealings to finish only 7 off on balance at 688p. Mercantile House gave up 10 to 810p and R. P. Martin 5 to 360p.

Saxon Oil, up 23 more at 185p, after 187p, again attracted a considerable amount of buying interest following the company's decision to withdraw from the planned merger with Clyde Petroleum due to the former's possible participation in a commercial oil discovery; the rise was also prompted by talk of the possibility of another bid for Saxon. Clyde closed unaltered at 90p, after 83p, following the annual results. The proposed petrol price increases by BP and Shell had little impact, although the latter traded firmly in the late dealings at 486p, up 6.

Overseas Traders featured Steel Brothers which, in a thin market improved 20 to 360p; the preliminary figures are expected in the next Account.

Golds easier

An easing of the recent bear squeeze and a further decline in the bullion market left South African Golds showing widespread losses for the first time in six trading days.

Activity in the share market contracted to minimal levels although one or two issues reflected continuing stock shortage and made renewed progress.

The overall picture in the market was one of frequent small losses with recent favourite President Steyn notably weak and finally £1¾ cheaper at £33¼. President Brand dipped almost a point to £30¼ while falls of around ½ were common to Hartebeest, £49⅞, Southvaal, £39¼, and St. Helena, £28.

Highlights among the cheaper-priced issues included South African Land, which jumped 20 to 465p and ERGO, 14 to the good at 575p.

The Gold Mines index fell 3.9 to 598.7 but remained 39 points stronger over the shortened week. Bullion gave up $4 at $421.5 an ounce.

The March quarter results from the gold mines begin next week with quarterly profits from those in the Gold Fields group expected on Tuesday.

Financials showed marginal changes either way in subdued and generally routine trading.

London issues were steady to a shade easier on balance, after initial weakness, owing to new-time buying.

Australians performed similarly with end-account selling being replaced by buying for the new account. The speculatives were highlighted by Balmoral Resources, which rose 2½ to 17½p, while Black Hill Minerals put on 2 to 47p. Leading issues were featured by Western Mining, which moved up 4 to 250p, while CRA added 3 at 270p following the proposed capital re-construction.

Traded Options ended the short week on an encouraging note with 2,531 contracts struck, bringing the week's daily average to 2,548—the highest for seven weeks. Business was well-distributed among those stocks in issue with Oils again to the fore. Shell Transport recorded 371 calls, while British Petroleum and Isamo attracted 187 and 186 calls respectively. Firm Electricals were mirrored by Racal which recorded 312 calls, 217 of which were done in the August 500's. GEC also attracted new demand with 262 calls transacted.

FINANCIAL TIMES STOCK INDICES

	April 8	April 7	April 6	April 5	Mar. 31	Mar. 30	Year ago
Government Secs.	81.90	81.81	82.03	80.97	80.82	80.60	66.75
Fixed Interest	83.78	83.47	83.41	82.89	82.74	82.55	67.33
Industrial Ord.	675.0	672.2	663.9	654.0	655.1	651.0	560.3
Gold Mines	598.7	602.6	590.5	582.5	559.7	546.1	259.3
Ord. Div. Yield	4.78	4.75	4.81	4.88	4.86	4.91	5.60
Earnings, Yld.% (full)	9.48	9.51	9.98	10.13	10.13	10.33	11.18
P/E Ratio (net) (*)	12.84	12.80	12.12	11.93	11.94	11.67	11.19
Total bargains	27,745	27,336	27,806	26,305	25,296	24,407	16,082
Equity turnover £m.	—	357.0	264.37	327.92	204.91	342.94	94.38
Equity bargains	—	25,983	24,056	27,096	24,396	23,306	11,419
Shares traded (ml)	—	238.9	174.6	181.7	141.4	182.7	78.2

10 am 670.4. 11 am 672.3. Noon 671.7. 1 pm 671.6.
2 pm 671.4. 3 pm 671.4.
Basis 100 Govt. Secs. 16/10/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/10/55. SE Activity 1974.
Nil—11.97.
Latest Index 01-246 8026.

HIGHS AND LOWS

	1982/3 High	1982/3 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	85.84 (3/11)	51.89 (5/1/82)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	87.02 (12/11)	92.79 (7/1/82)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	675.0 (8/4/83)	518.1 (5/1/82)	675.0 (8/4/83)	49.4 (26/6/40)
Gold Mines	734.7 (15/2/83)	181.2 (22/6)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	April 7	April 6
Daily		
Gilt Edged Bargains	203.1	210.0
Equities Bargains	155.4	158.1
Value	721.6	554.4
5-day Avrge		
Gilt-Edged Bargains	191.6	187.1
Equities Bargains	159.2	157.0
Value	605.2	536.7

LEADERS AND LAGGARDS

Percentage changes since December 31, 1982 based on Thursday, April 7, 1983

Office Equipment	+27.83	Other Consumer	+11.98
Metals and Metal Forming	+27.06	Overseas Traders	+11.11
Insurance Brokers	+25.74	Insurance (Life)	+10.45
Newspapers, Publishing	+25.69	All-Share Index	+10.31
Motors	+25.19	Mining Finance	+10.09
Shipping and Transport	+24.69	Building Materials	+ 9.89
Health and H'sehold Products	+23.13	Tobaccos	+ 9.82
Other Industrial Materials	+21.40	500 Share Index	+ 8.84
Textiles	+17.89	Merchant Banks	+ 8.65
Oils	+17.09	Contracting, Construction	+ 8.36
Insurance (Composite)	+16.60	Gold Mines Index	+ 8.28
Financial Group	+15.64	Engineering Contractors	+ 7.62
Banks	+15.25	Industrial Group	+ 7.47
Investment Trusts	+15.25	Consumer Group	+ 6.57
Leisure	+14.51	Capital Goods	+ 6.37
Other Groups	+14.40	Food Manufacturing	+ 6.16
Mechanical Engineering	+12.97	Discount Houses	+ 3.95
Chemicals	+12.85	Brewers and Distillers	− 0.14
Packaging and Paper	+12.67	Stores	− 1.34
Property	+12.10	Food Retailing	− 1.87
		Electricals	− 2.46

OPTIONS

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Mar 28	Apr 15	June 30	July 11
Apr 18	Apr 29	July 14	July 25
May 3	May 13	July 28	Aug 8

For rate indications see end of Share Information Service

Calls were taken out in Intervision, Bairstow Eves, Sound Diffusion, Astra Industrial, Trident TV A, Premier Oil, Charterhall, Exco International, A.Caird, Dunlop, Whittingham Estates, Rank Organisation, Turner and Newall and London and Liverpool. No puts or doubles were reported.

RISES AND FALLS

	Yesterday Rises	Yesterday Falls	Yesterday Same	On the week Rises	On the week Falls	On the week Same
British Funds	41	17	41	217	94	82
Corpns. Dom. & Foreign Bonds	17	13	49	86	17	213
Industrials	280	287	786	1,117	1,022	3,193
Financial & Props.	125	79	316	411	473	1,186
Oils	30	17	63	145	72	223
Plantations	3	—	19	18	7	85
Mines	40	42	71	220	111	261
Others	71	39	64	174	279	229
Totals	607	494	1,389	2,388	2,075	5,482

NEW HIGHS AND LOWS FOR 1983

NEW HIGHS (64)

AMERICANS (1)
Morgan (J. P.)
CANADIANS (1)
Imperial Oil
BANKS (2)
Charterhouse — Sec. Pacific Corp
BUILDINGS (4)
Countryside — Newarthill
Erith — Whatlings
CHEMICALS (1)
Ciba Geigy 8pc
STORES (2)
Caird (A.) — Hepworth (J.)
ELECTRICALS (3)
Memec — Thorn EMI
Pressac
ENGINEERING (3)
Blackwood Hodge — Spirax-Sarco
Norton (W. E.)
FOODS (2)
Argyll Foods — Pyke Hldgs
Avana Grp
HOTELS (3)
Ladbroke — Trusthouse Forte
Savoy A
INDUSTRIALS (19)
Baird (Wm) — RFD
C.H. Inds — Restmor
Centreway — Scapa Group
Crest Nicholson — Shiloh
Dalgety — Sidlaw
Diploma — Siebe Gorman
Hyman (I. & J.) — Steetley
Johnston Group — Swire A
Midland Marts — Tilling (T.)
Nu-Swift
INSURANCE (1)
Eagle Star
LEISURE (1)
Norton & Wright
MOTORS (2)
Flight Refuelling — Tate of Leeds
NEWSPAPERS (2)
Assoc Newspapers — Collins (W.) A
PAPERS (1)
McCorquodale
PROPERTY (2)
Haslemere — Rosehaugh
TEXTILES (2)
Allied Textile — Sunbeam Wolsey
TRUSTS (4)
Berry Trust — London & Gartmore
Group Investors — Young Co's Inv
OIL & GAS (3)
Jackson Explor — Shell Transport
Saxon
OVERSEAS TRADERS (1)
Steel Bros.
PLANTATIONS (2)
Cons Plants — Harrisons Malaysian
MINES (1)
East Daggs

NEW LOWS (3)

BUILDINGS (1)
Dew (George)
STORES (2)
Freemans — Grattan

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change	Stock	Closing price	Day's change
BAT Industries	690	−25	Mellins	158	+ 6
Croda International	112	− 8	Redland	250	− 5
Eagle Star	408	+23	Saxon	185	+23
Glaxo	870	—	Steetley	221	+ 5
Ibstock Johnsen	125	− 8	Trident TV "A"	97	+ 2
London and Liv. Tst.	418	+ 2	Turner and Newall	45	+ 5

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of changes	Thurs. close	Day's change	Stock	No. of changes	Thurs. close	Day's change
BAT Industs.	45	716	+65	Babcock	20	165	+ 9
Glaxo	33	870	+10	Plessey	17	558	+13
Lon. & Liv. Tst.	27	416	−12	BP	18	352	—
Saxon Oil	25	162	+45	MFI Furniture	16	159	+11
Sound Diffusion	23	278	+12	St. Telephones	16	250	+10
Burmah Oil	22	174	− 4	Exco Intl.	15	695	+ 7
Ladbroke	21	200	+10	Trident TV "A"	13	95	− 1

4-DAY ACTIVE STOCKS

Based on bargains over the four-day period ending Thursday.

Stock	No. of changes	Thurs. close	Change on week	Stock	No. of changes	Thurs. close	Change on week
Glaxo	143	870	+60	Exco Intl.	82	695	+10
BAT Industries	112	716	+85	Mks. & Spncr.	77	214	+22
Lon. & Liv. Tst.	103	416	− 8	Tnr. & Newall	66	40	+10
Burmah Oil	101	174	+13	GUS "A"	64	565	+32
BP	100	352	+36	Royal Insurance	62	507	+16
Shell Transport	87	480	+34	Sound Diffusion	62	278	+14
GEC	86	206	+ 7	Babcock	60	165	+27

SHARE STAKES

Westminster Property Group—Mr David R. Kirch has purchased further ordinary shares, making a total holding of 4,226,700 ordinary (15.24 per cent of the issued ordinary share capital).

Hogg Robinson Group — The Kuwait Investment Office now holds 11.14 per cent.

Hampton Gold Mining—CCP North Sea Associates has sold its entire holding of 700,000 shares (5 per cent).

First Charlotte Assets Trust—The Co-Operative Insurance Society has a notifiable interest in 1.55m shares in the company (5.17 per cent of the issued share capital).

Percy Bilton—On March 31 1983, S. G. Warburg & Co, as an associate of Percy Bilton, bought on behalf of discretionary investment clients 200,000 ordinary 25p shares of Percy Bilton.

F. H. Tompkins—Throgmorton Trust has disposed of 25,000 ordinary shares, reducing holding to 1.28m (4.94 per cent).

[illegible] increasing holding to 313,400 (6.96 per cent), and 25,245 ordinary (0.56 per cent) held by his wife.

Tilbury Group—Suter has reduced its holding to 1.1m ordinary shares (9.3 per cent).

DRG—Prudential Corporation has reduced its holding of ordinary shares to 4.08m (less than 5 per cent).

J. and H. M. Jackson—Prudential Corporation holds 1.43m ordinary shares (5.93 per cent).

Trident TV—Pleasurama purchased on March 30 250,000 "A" non-voting ordinary at 106p per share and 100,000 at 103½p.

Robert Moss—Scottish Investment Trust on March 25 purchased 50,000 ordinary shares, bringing holding to 781,500 shares (5.25 per cent).

City of Oxford Investment Trust—Dalgety Spillers Pension Fund has acquired 300,000 ordinary shares (7.36 per cent).

Cliff Oil—The BBC New Pension Scheme trustees, [illegible]

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri April 8 1983 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thur April 7 Index No.	Wed April 6 Index No.	Tues April 5 Index No.	Thur March 31 Index No.	Year ago (approx.) Index No.	1982/83 High	1982/83 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (206)	459.58	+0.6	8.51	3.71	14.82	456.81	448.62	445.57	444.41	362.75	465.25 (15/3/83)	351.14 (14/1/82)	465.25 (15/3/83)	50.71 (13/12/74)
2	Building Materials (23)	438.00	−0.9	9.51	4.40	12.72	442.15	432.57	431.90	433.20	322.63	462.65 (15/3/83)	299.54 (6/1/82)	462.65 (15/3/83)	44.27 (11/12/74)
3	Contracting, Construction (30)	789.43	−0.4	11.35	4.26	10.59	792.44	776.70	774.00	768.87	588.25	831.09 (15/3/83)	529.58 (6/1/82)	831.09 (15/3/83)	71.48 (2/12/74)
4	Electricals (33)	1689.61	+2.0	7.06	2.06	18.22	1656.41	1617.71	1598.74	1602.07	1264.78	1904.92 (11/10/82)	1205.68 (14/1/82)	1904.92 (11/10/82)	84.71 (25/6/62)
5	Engineering, Contractors (10)	464.86	+0.2	15.08	6.43	8.12	464.04	447.13	444.30	440.26	489.86	523.05 (5/2/82)	391.02 (1/2/83)	523.05 (5/2/82)	64.39 (2/1/75)
6	Mechanical Engineering (64)	217.31	−0.6	10.82	5.30	11.47	218.64	216.89	214.69	214.81	189.98	222.65 (15/3/83)	187.11 (6/4/82)	230.26 (24/4/81)	45.43 (6/1/75)
8	Metals and Metal Forming (11)	184.67	−1.6	10.30	6.21	11.84	187.60	185.31	186.03	186.15	158.25	187.60 (7/4/83)	128.49 (5/10/82)	192.29 (4/5/79)	49.65 (6/1/75)
9	Motors (18)	97.05	+0.1	0.42	6.45	—	96.91	97.01	96.28	96.02	94.29	102.40 (3/2/82)	72.33 (4/10/82)	170.59 (15/1/69)	19.91 (6/1/75)
10	Other Industrial Materials (17)	444.15	+0.8	7.28	4.79	18.26	440.47	438.33	439.80	426.05	368.43	444.15 (8/4/83)	337.32 (9/8/82)	444.15 (8/4/83)	277.55 (15/1/81)
21	CONSUMER GROUP (201)	429.56	+0.3	9.88	4.21	12.29	428.46	419.46	413.46	413.58	297.41	429.56 (8/4/83)	265.59 (5/1/82)	429.56 (8/4/83)	61.41 (13/12/74)
22	Brewers and Distillers (23)	453.39	+0.9	11.18	4.72	10.92	449.54	443.70	433.23	434.91	301.01	486.54 (15/2/83)	261.00 (12/1/82)	486.54 (15/2/83)	69.47 (13/12/74)
25	Food Manufacturing (21)	343.65	+0.2	13.53	5.57	8.63	343.01	339.42	338.90	341.15	271.62	350.37 (10/3/83)	255.63 (21/6/82)	350.37 (10/3/83)	59.67 (11/12/74)
26	Food Retailing (14)	848.43	+0.6	7.51	2.87	16.74	843.49	820.90	818.57	823.00	593.29	915.86 (17/11/82)	545.79 (5/1/82)	915.86 (17/11/82)	54.25 (11/12/74)
27	Health and Household Products (8)	826.94	+1.3	4.86	2.24	24.43	816.47	809.13	798.89	794.65	402.37	826.94 (8/4/83)	338.70 (5/1/82)	826.94 (8/4/83)	175.38 (28/5/80)
29	Leisure (24)	536.63	+1.0	7.29	4.45	18.04	531.46	523.28	518.12	519.06	446.77	536.63 (8/4/83)	395.85 (9/7/82)	536.63 (8/4/83)	54.83 (9/1/75)
32	Newspapers, Publishing (14)	790.99	+0.4	7.93	4.11	16.52	787.91	763.59	761.94	779.99	530.60	790.99 (8/4/83)	472.39 (14/1/82)	790.99 (8/4/83)	55.08 (6/1/75)
33	Packaging and Paper (14)	160.75	+1.0	12.74	6.24	9.25	159.10	160.27	157.48	156.97	143.56	170.70 (17/2/83)	130.74 (5/1/82)	170.70 (17/2/83)	43.46 (6/1/75)
34	Stores (48)	373.59	−0.1	8.05	3.68	16.50	374.12	365.49	354.83	352.05	271.71	397.17 (19/11/82)	238.02 (5/1/82)	397.17 (19/11/82)	52.63 (6/1/75)
35	Textiles (22)	202.02	−0.1	12.67	5.54	9.46	202.28	199.16	198.56	198.43	170.66	203.00 (10/3/83)	152.91 (5/1/82)	235.72 (17/1/67)	62.66 (11/12/74)
36	Tobaccos (3)	474.72	−2.8	20.10	6.51	5.57	488.49	448.85	448.83	452.26	312.52	516.31 (3/2/83)	251.28 (6/1/82)	516.31 (3/2/83)	94.34 (13/6/62)
39	Other Consumer (10)	373.46	−0.2	6.77	3.91	—	374.24	373.04	374.24	375.48	289.73	387.98 (15/3/83)	247.87 (1/1/82)	387.98 (15/3/83)	229.84 (28/9/81)
41	OTHER GROUPS (79)	332.45	−0.2	9.03	4.90	13.65	333.04	330.16	329.71	331.09	253.53	339.29 (15/3/83)	228.88 (5/1/82)	339.29 (15/3/83)	58.63 (6/1/75)
42	Chemicals (15)	435.10	−0.4	9.11	5.53	13.69	436.92	431.15	430.07	431.71	333.11	436.92 (7/4/83)	297.89 (5/1/82)	436.92 (7/4/83)	71.20 (1/12/74)
44	Office Equipment (6)	103.13	−0.3	8.55	5.23	15.05	103.48	103.47	103.18	103.72	123.20	131.88 (29/1/82)	78.52 (22/12/82)	246.06 (1/9/72)	45.34 (2/1/75)
45	Shipping and Transport (14)	649.98	+0.1	11.64	6.27	10.42	649.63	638.38	638.41	644.41	562.58	654.35 (22/3/83)	496.46 (10/12/82)	654.35 (22/3/83)	90.80 (29/6/62)
46	Miscellaneous (44)	464.41	—	8.40	3.99	14.51	464.41	462.75	462.48	463.94	322.76	485.58 (16/3/83)	289.92 (5/1/82)	485.58 (16/3/83)	60.39 (6/7/75)
49	INDUSTRIAL GROUP (486)	427.68	+0.3	9.30	4.13	13.23	426.33	418.53	414.34	414.27	314.19	428.14 (15/3/83)	289.79 (5/1/82)	428.14 (15/3/83)	59.01 (13/12/74)
51	Oils (14)	824.42	+0.5	13.32	7.09	9.14	820.58	818.90	804.49	797.44	696.16	824.42 (8/4/83)	627.13 (10/3/82)	1065.24 (19/11/80)	87.23 (29/5/62)
59	500 SHARE INDEX	460.70	+0.3	9.92	4.59	12.38	459.14	451.88	446.82	446.16	345.30	460.70 (8/4/83)	324.63 (12/1/82)	460.70 (8/4/83)	63.49 (13/12/74)
61	FINANCIAL GROUP (121)	310.99	+0.4	—	5.91	—	309.86	307.89	305.49	307.31	252.11	317.67 (15/3/83)	238.23 (28/6/82)	317.67 (15/3/83)	55.88 (13/12/74)
62	Banks (6)	320.41	+0.4	28.23	7.69	3.90	319.14	318.45	319.30	324.50	268.30	357.74 (15/3/83)	249.31 (4/10/82)	357.74 (15/3/83)	62.44 (12/12/74)
63	Discount Houses (8)	302.65	—	—	8.06	—	302.54	291.43	289.50	290.90	222.76	334.35 (14/10/82)	211.15 (7/1/82)	334.35 (14/10/82)	81.40 (10/12/74)
65	Insurance (Life) (9)	391.93	−0.6	—	5.38	—	394.28	392.89	390.92	391.59	267.03	402.55 (28/3/83)	243.18 (12/1/82)	402.55 (28/3/83)	44.88 (2/1/75)
66	Insurance (Composite) (10)	205.08	+0.7	—	7.32	—	203.75	201.60	194.43	194.28	157.95	206.80 (31/1/83)	147.23 (20/5/82)	206.80 (31/1/83)	43.96 (13/12/74)
67	Insurance Brokers (7)	616.29	—	10.68	4.78	12.75	616.10	614.13	613.05	601.51	483.09	616.29 (8/4/83)	410.59 (13/1/82)	616.29 (8/4/83)	65.86 (16/12/74)
68	Merchant Banks (13)	166.87	+0.4	—	5.23	—	165.38	163.98	165.85	166.79	148.48	170.12 (8/2/83)	128.79 (5/7/82)	278.57 (1/5/72)	31.21 (7/1/75)
69	Property (54)	467.20	+0.8	5.55	3.75	23.80	463.27	460.61	459.86	462.75	438.96	474.97 (10/3/83)	378.29 (26/11/82)	517.77 (2/4/81)	56.01 (20/4/65)
70	Other Financial (14)	250.78	+0.1	11.56	5.10	10.38	250.36	247.44	246.85	250.27	174.26	263.61 (25/3/83)	157.25 (16/8/82)	303.18 (18/5/72)	33.29 (17/12/74)
71	Investment Trusts (109)	413.51	+0.1	—	4.13	—	412.91	412.13	415.39	416.96	291.08	419.28 (28/3/83)	283.53 (6/1/82)	419.28 (28/3/83)	71.63 (13/12/74)
81	Mining Finance (4)	260.48	−0.1	6.99	5.45	[illegible]	260.65	255.04	[illegible]	247.94	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
91	Overseas Traders (16)	435.11	+0.5	9.48	8.36	15.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
99	ALL-SHARE INDEX (750)	423.01	+0.3	—	4.83	—	421.64	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	61.92 (13/12/74)

FIXED INTEREST

	PRICE INDICES	Fri April 8	Day's change %	Thur April 7	xd adj. today	xd adj. 1983 to date
	British Government					
1	5 years	117.43	+0.05	117.38	—	2.92
2	5-15 years	129.65	+0.09	129.54	0.41	4.35
3	Over 15 years	141.41	+0.25	141.06	—	2.49
4	Irredeemables	151.66	+0.21	151.34	—	1.62
5	All stocks	129.23	+0.13	129.24	0.17	3.36
6	Debentures and Loans	102.86	+0.18	102.67	—	2.98
7	Preference	80.25	—	80.25	—	2.28

	AVERAGE GROSS REDEMPTION YIELDS		Fri April 8	Thur April 7	Year ago (approx.)	1982/83 High	1982/83 Low
	British Government						
1	Low Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	Medium Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7	High Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10	Irredeemables		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
11	Debs & Loans	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
12		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
13		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
14	Preference		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Other Industrial Materials	31/12/80	287.41	Other Financial	31/12/70	128.06
Other Consumer	31/12/80	238.14	Food Manufacturing	29/12/67	114.13
Health/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Office Equipment	16/1/70	128.20	Debs. & Loans	31/12/77	100.00
Industrial Group	[illegible]	[illegible]			

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. date	1982/3 High	1982/3 Low	Stock	Closing price p	+ or −	Net Div.	Times Covered	Gross Yield	P/E Ratio
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Airship Inds.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Assoc. British Ports	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1982/3 High	1982/3 Low	Stock	Closing price £	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Birmingham 11¼% Red. 2012	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1982/3 High	1982/3 Low	Stock	Closing price p	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	AOS Research 10p	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend; cover based on previous year's earnings. N Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. F Figures or report awaited. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or take-over. ‖‖ Introduction. [illegible] Issued to former preference holders. ■ Allotment letters [illegible]

INSURANCE & OVERSEAS MANAGED FUNDS

Barclays Life Assur. Co. Ltd.—cont.

Black Horse Life Ass. Co. Ltd.

British National Life Assurance Co. Ltd.

Canada Life Group

Cannon Assurance Ltd.

Capital Life Assurance

Chieftain Assurance Funds

City of Westminster Assurance

Clerical Medical & Gen. Life Ass. Soc.

Clerical Medical Managed Funds Ltd.

Commercial Union Group

Confederation Life Insurance Co.

Continental Life Insurance PLC

Cornhill Insurance PLC

Credit & Commerce Insurance Co. (UK)

Crescent Life Assurance Co. Ltd.

Crown Life

Crusader Insurance PLC

Eagle Star Insur./Midland Assur.

Equity & Law Life Ass. Soc. Plc.

Equity & Law (Managed Funds) Ltd.

Family Assurance Society

Robert Fleming & Co. Ltd

G.T. Management Ltd.

Assicurazioni GENERALI S.p.A.

General Portfolio Life Ins. C. Ltd.

Growth & Sec. Life Ass. Soc. Ltd.

Guardian Royal Exchange

Hambro Life Assurance P.L.C.

Hearts of Oak Benefit Society

Henderson Administration

Hill Samuel Life Assur. Ltd.

Imperial Life Ass. Co. of Canada

Irish Life Assurance Co. Ltd.

Langham Life Assur. Co. Ltd.

Legal & General (Unit Assur.) Ltd.

Legal & General Prop. Fd. Mgrs. Ltd.

Life Assur. Co. of Pennsylvania

Lloyds Life Assurance

London Life Linked Assur. Ltd.

London & Manchester Gp.

Manufacturers Life Insurance Co.

M & G Group

Merchant Investors Assurance

Multiple Health and Life Assur. Co. Ltd.

NEL Pensions Ltd.

National Provident Institution

New Zealand Ins. Brit. Insce. PLC

Norwich Union Insurance Group

Pearl Assurance (Unit Funds) Ltd.

Phoenix Assurance Co. Ltd.

Pioneer Mutual Insurance Co. Ltd.

Planned Savings Group

Pension Life Assurance Co. Ltd.

Property Growth Assur. Co. Ltd.

Providence Capital Life Assc. Co. Ltd.

Provident Mutual Life Assc. Assn.

Provincial Life Assurance Co. Ltd.

Prudential Assurance Co.

Prudential Pensions Limited

Refuge Investments Limited

Reliance Mutual

Royal Life (Unit Linkd. Pension Fds.) Ltd.

Save & Prosper Group

Schroder Life Assurance Ltd.

Scottish Amicable Investments

Scottish Equitable Life Assce. Soc.

Scottish Mutual Assurance Society

Scottish Widows' Group

Standard Life Assurance Company

Sun Alliance Insurance Group

Sun Life of Canada (UK) Ltd.

Sun Life Unit Assurance Ltd.

Target Life Assurance Co. Ltd.

Transinternational Life Ins. Co. Ltd.

Trident Life Assurance Co. Ltd.

TSB Life Ltd.

Tyndall Assurance/Pensions

Vanbrugh Life Assurance

Windsor Life Assur. Co. Ltd.

OFFSHORE AND OVERSEAS

Adig Investment

Albany Fund Management Limited

Alliance International Dollar Reserves

Andover Futures Ltd.

Arbuthnot Securities (C.I.) Ltd.

Barclays Unicorn International

Bishopsgate Commodity Ser. Ltd.

Bridge Management Ltd.

Britannia Intl. Investment Mngmt. Ltd.

Brown Shipley Tst. Co. (Jersey) Ltd.

Butterfield Management Co. Ltd.

Capital Asset Managers Ltd.

Capital International Fund S.A.

Carter Allen Investment Management (C.I.)

Charterhouse Japhet

Charterhouse Japhet Currency Mngt. Ltd.

Cornhill Ins. (Guernsey) Ltd.

Cortexa International

Craigmount Fixed Int. Mngrs. (Jersey)

DWS Deutsche Ges. F. Wertpapiersp

Delta Group

Deutscher Investment-Trust

Drexel Burnham Lambert

Dreyfus Intercontinental Inv. Fd.

Duncan Lawrie Inv. Mgt. Ltd.

Emson & Dudley Tst. Mgt. Jrsy. Ltd.

The English Association

Erieview Management Ltd.

Eurobond Holdings N.V.

Euroinvest Investment Ltd.

Executive Life (C.I.F. Managers Ltd.)

F & C Mgmt. Ltd. Inv. Advisers

Fidelity International

Fleming Japan Fund S.A.

Frankfurt Trust Investment—GmbH

Free World Fund Ltd.

G. T. Management Ltd.

Gartmore Fund Managers Ltd. Agents

Gartmore Fund Managers (IOM) (a)

Assicurazioni GENERALI S.p.A.

Granville Management Limited

Grindlays Investment Mngt. Ltd.

Guinness Mahon Intl. Fund (Guernsey)

Guest Fund Man. (Jersey) Ltd.

Hambros Fd. Mgrs. (C.I.) Ltd.

Henderson Admin. & Man. (Guernsey)

Henderson Baring Group

Hill Samuel & Co. (Guernsey) Ltd.

Hill Samuel Investment Mgmt. Intnl.

HK Fund Managers (Jersey) Ltd.

I.C. Trust Managers Ltd.

IGF Management Services Inc.

N.V. Interbeheer

International Bond Trust

International Pacific Inv. Mgmt. Ltd.

Invicta Investment Management

Jardine Fleming & Co. Ltd.

Leopold Joseph & Sons (Guernsey)

Kleinwort Benson Group

Korea International Trust

The Korea Trust

Daehan Investment Trust Co.Ltd.

Lazard Brothers & Co. (Jersey) Ltd.

Lloyds Bank (C.I.) U/T Mgrs.

Lloyds Bank International, Geneva

Lloyds Bank International, Guernsey

Louis Dreyfus Commodity Fund

M & G Group

Management International Ltd.

Manufacturers Hanover Asset Mgt.

Midland Bank Tst. Corp. (Jersey) Ltd.

Minerals, Oils Res. Shrs. Fd. Inc.

Samuel Montagu Ldn. Agents

Murray, Johnstone (Inv. Adviser)

Negit S.A.

N.E.L. International Ltd.

Newport International Management

Nomura International Ltd.

Norfolk Trust Managers Ltd.

Northgate Unit Tst. Mgrs. (Jersey) Ltd.

Pacific Basin Fund

Perpetual U.T. Mgrs (Jersey) Ltd.

Phoenix International

Providence Capital International Ltd.

Quilter/Helmold Commodities

Richmond Life Ass. Ltd.

Rothschild Asset Management (C.I.)

OC Intl Reserves Ltd.

Royal Bank of Canada Funds

Save & Prosper International

Schroder Mngt. Services (Jersey) Ltd.

J. Henry Schroder Wagg & Co. Ltd.

Schroder Unit Trust Mgrs. Intl. Ltd.

Scrimgeour Kemp-Gee Mngmt. Jersey

Securities Selection Ltd.

Sentry Assurance International Ltd.

Slater & Friedlander C.I.L. Ltd.

Strategic Metal Trust Mngrs. Ltd.

Stronghold Management Limited

Surinvest (Jersey) Ltd.

TSB Trust Funds (C.I.)

Tokyo Pacific Holdings N.V.

Tokyo Pacific Hldgs. (Seaboard) N.V.

Tyndall Bank (Isle of Man) Ltd.

Tyndall Group

M. G. Tyrrell & Co. Ltd.

Unico Invest Fd Ges Ca SA Lux

Union-Investment-Gesellschaft mbH

V.C.A. Financial Management Ltd.

Vanbrugh Fund Mngmt. Intl. Ltd.

S. G. Warburg & Co. Ltd.

Warburg Invest. Mngt. (I.O.M.) Ltd.

Warburg Invest. Mngt. Jrsy. Ltd.

Wardley Investment Services Ltd.

WestAvon Secs (Guernsey) Ltd.

World Wide Growth Management

Wren Commodity Management Ltd.

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. k Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers.

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

1982/83 High	Low	Stock	Price £	+ or -	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
100⅝	92⅞	Treasury 9½pc '83	99⅞	—	9.27	9.89
104⅝	96⅞	Exch. 13½pc '83	101⅞	—	13.26	10.30
101⅜	91⅞	Exch. 10pc 1983	99⅞	—	10.02	10.20
98¼	87⅞	Funding 5½pc '82-84‡‡	97	–⅛	5.67	9.61
103¾	91⅞	Exch. 11¼pc 1984	100⅞	–⅛	11.15	10.11
107¼	96¾	Exchequer 14pc 1984	103⅝	–⅛	13.54	10.70
94¾	81¼	Exch. 3pc 1984	94⅝	–⅛	3.17	7.80
105¾	91½	Treasury 12pc 1984	102⅛	–⅛	11.76	10.39
112	96¾	Treasury 15pc 1985	106⅞	–⅛	14.03	10.76
112¼	103	Exch. 12pc Conv. '85	104¾	—	11.46	9.25
91¼	73½	Treasury 3pc 1985	90	+¼	3.33	8.26
105½	87½	Treasury 11½pc 1985	101⅛	–⅛	11.37	10.91
102	95½	Treas 8¾pc Cnv '85	97¼	–⅛	9.00	10.02
107⅝	88⅝	Exch. 12¼pc 1985	102½	–⅛	11.95	11.10
106⅝	86⅛	Exch. 11¾pc '86	101⅞	–⅛	11.53	10.95
89½	69	Treasury 3pc 1986	86	—	3.49	8.20
27⅛	26	Exch. 10½pc Cv '86(£25pd)	26⅞	–⅛	10.45	10.22
107¼	86¾	Treasury 12pc '86	102½	–⅛	11.71	11.02
160	80⅝	Treasury 8¼pc '84-86‡‡	95⅝	+⅛	8.91	10.20
116¾	96⅞	Treas. 12¼pc '86 Cnv.	110½	+¼	11.09	8.50
114	91⅞	Exch. 14pc 1986	108⅞xd	—	12.91	11.07
112	90	Exch. 13¼pc 1987	106½	+⅛	12.44	11.07
84⅞	82⅝	Exchequer 2½pc 1987	82⅝	—	3.03	7.77
103½	95⅞	Exch. 10½pc 1987	98⅞	–⅛	10.62	10.84
99	97¼	Exch. 10¼pc 1987A	98¾	–⅛	10.63	10.88
93⅝	73⅞	Funding 6½pc '85-87‡‡	89¾xd	—	7.24	9.61
85¾	64½	Treasury 3pc 1987	81½	—	3.68	8.24
109	85⅞	Treas 12pc 1987	103⅝xd	–⅛	11.61	11.04
98	72½	Treasury 7¾pc '85-88‡‡	90⅝	+⅛	8.58	10.33
		Five to Fifteen Years				
102¼	95½	Exch 10½pc '88	97¼xd	+⅛	10.72	11.04
81½	60⅛	Transport 3pc '78-88	80½	—	3.77	7.81
99	91	Treas. 9½pc '88	93⅝xd	+⅛	10.11	10.98
107⅞	79⅞	Treasury 11½pc 1989	102	—	11.44	11.37
—	—	Treas 10½pc '89(£25pd)	£96	—	10.94	11.41
85⅝	62½	Treasury 5pc '86-89	78¼xd	—	6.39	9.95
117¼	85⅞	Treasury 13pc 1990‡‡	110¼	+⅛	12.13	11.43
112	85⅝	Exch. 12½pc 1990	105½	+⅛	11.93	11.46
98⅛	70⅛	Treasury 8¼pc '87-90‡‡	90½	—	9.39	10.71
110¾	77⅞	Treasury 11¾pc 1991	104¾	+⅛	11.60	11.47
84⅞	59¾	Funding 5¾pc '87-91‡‡	77	+¼	7.48	10.02
104½	76⅞	Exch. 11pc 1991	98½xd	—	11.16	11.27
116⅞	81⅞	Treasury 12¾pc '92‡‡	110½	—	11.83	11.32
102¼	70	Treasury 10pc 1992	96⅛	—	10.55	10.93
112¼	80⅝	Exch. 12¼pc '92	106⅛	—	11.68	11.39
118¾	88⅝	Exchequer 13½pc '92	111⅞	–⅛	12.15	11.52
116½	80⅝	Treasury 12½pc '93‡‡	110	—	11.68	11.32
81½	56¼	Funding 6pc 1993‡‡	73¾	–⅛	8.07	10.02
124¾	88	Treasury 13¾pc 1993‡‡	119⅝	+⅛	12.02	11.37
128¾	91⅝	Treasury 14½pc '94‡‡	120⅞	—	12.17	11.38
119¼	86¾	Exchequer 13½pc 1994	112¼xd	+⅛	11.96	11.42
115½	80⅞	Exch. 12½pc 1994	108⅞	—	11.66	11.35
96⅛	66¾	Treasury 9pc '94‡‡	94⅛	+⅛	9.94	10.42
113¾	76½	Treasury 12pc '95	107¼	+⅛	11.46	11.25
66¾	42⅞	Gas 3pc '90/95	62¼xd	—	4.77	7.88

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

Index-Linked & Variable Rate

[illegible]

Prospective real redemption rate on projected inflation of (1) 10% and (2) 7%.

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH AND AFRICAN LOANS

[illegible]

LOANS

Public Board and Ind.

[illegible]

LOANS—Continued

Financial

[illegible]

Building Societies

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

BANKS, H.P. & LEASING

[illegible]

BANKS—Continued

[illegible]

Hire Purchase, Leasing, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

CHEMICALS, PLASTICS—Cont.

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ELECTRICALS—Continued

[illegible]

For Wigfall (H.) see Stores

ENGINEERING MACHINE TOOLS

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

LEISURE—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

INSURANCES

LEISURE

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

OIL AND GAS

OIL AND GAS—Continued

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

MINES—Continued

Central African

Australians

Tins

Miscellaneous

[illegible]	[illegible]	♥Colby Res Corp.	82	......	—	—
155	27	Cons. Murch. 10c.	410	−10	$Q60c	1.9
485	170	‡‡Exploura Gold	3	......	—	—
8	1½	♥Highwood Res.	110	......	—	—
155	55	Homestake Mining $1	£19⅛	......	Q40c	—
£20¼	£12½	Northgate C$1	375	+10	—	—
499	160	R.T.Z.	533	+1	16.0	1.6
552	344	Do. 9¼%Cv.Uns.Ln.'95-2000	£116½	......	Q9½%	23.9
£122	£84	♥Sabina Inds C$1	24	−1	—	—
33	11	♥Southwest Res 10p.	14½	+½	—	—
17½	12½	♥Tara Exptn $1	465	+10	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK Listed; dealings permitted under Rule 163(4)(a).
- ♆ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(3).
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♦ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend: cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ‖ No par value.

B.Fr. Belgian Francs. Fr. French Francs. ¶¶ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or other official estimates for 1982-83. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1982-83. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xR ex capital distribution.

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency.

				IRISH		
Albany Inv. 20p	54	......		Exch. 15pc 1983	£99⅞	......
Bertrams	17	......		Nat. 9¾% 84/89	£56½	......
Bdg'wtr. Est. 50p	530	......		Fin. 13% 97/02	£94	+¼
Craig & Rose £1	£12	......		Alliance Gas	105	......
Finlay Pkg. 5p	34	......		Arnott	120	......
Graig Ship. £1	£19	......		Carroll (P.J.)	101	......
Higsons Brew	103	−2		Concrete Prods.	52	......
Holt (Jos) 25p	910	......		Heiton (Hldgs.)	31	−2
I.O.M. Stm. £1	95	+3		Irish Ropes	28	......
Pearce (C. H.)	£14	......		Jacob	65	......
Peel Hldgs.	182	......		T.M.G.	80	......
				Unidare	51	+11

OPTIONS

3-month Call Rates

Industrials					
Allied-Lyons	25	House of Fraser	15	Utd. Drapery	7
BOC Grp	17	I.C.I.	20	Vickers	[illegible]
B.S.R.	12	"Imps"	10	Woolworth Hld	[illegible]
Babcock	10	I.C.L.	8	**Property**	
Barclays Bank	35	Ladbroke	16	Brit. Land	[illegible]
Beecham	35	Legal & Gen.	28	Cap. Counties	[illegible]
Blue Circle	44	Lex Service	16	Land Sec.	[illegible]
Boots	22	Lloyds Bank	35	MEPC	[illegible]
Bowaters	19	"Lofs"	4	Peachey	[illegible]
Brit. Aerospace	20	London Brick	11	Samuel Props.	[illegible]
B.A.T.	50	Lucas Inds.	12	Town & City	5
Brown (J.)	4	"Mams"	12	**Oils**	
Burton Ord.	24	Mrks. & Spncr	16	Brit. Petroleum	[illegible]
Cadburys	11	Midland Bank	38	Burmah Oil	[illegible]
Courtaulds	8	N.E.I.	9	Charterhall	[illegible]
Debenhams	8½	Nat. West. Bank	38	KCA	[illegible]
Distillers	20	P & O Dfd.	14	Premier	[illegible]
Dunlop	5½	Plessey	58	Shell	[illegible]
Eagle Star	30	Racal Elect.	45	Tricentrol	[illegible]
F.N.F.C.	4	R.H.M.	6	Ultramar	[illegible]
Gen. Accident	30	Rank Org. Ord.	15	**Mines**	
Gen. Electric	24	Reed Intnl.	26	Charter Cons.	[illegible]
Glaxo	45	Sears	9	Cons. Gold	[illegible]
Grand Met	25	T.I.	13	Lonrho	[illegible]
G.U.S. 'A'	50	Tesco	8	Rio T. Zinc	[illegible]
Guardian	55	Thorn EMI	38		
G.K.N.	25	Trusthouse	13		
Hawker Sidd	30	Turner & Newall	4		
		Unilever	65		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 22

This service is available to every Company dealt in on 5 Exchanges throughout the United Kingdom for a fee of per annum for each security

FINANCIAL TIMES

Saturday April 9 1983

MAN IN THE NEWS

High flier at BAT Industries

BY DAVID CHURCHILL

SOME MEN join the Navy to see the world. Patrick Sheehy decided instead at the tender age of 20, after school in Australia and National Service with the Irish Guards, that a giant tobacco multinational was probably a better—and more lucrative—way. "I picked up the travel bug from my father who was in the Indian Civil Service," he says. "But my ambition was really to live and work in Latin America."

Sheehy duly joined a tobacco giant, but he never did get that posting in Latin America. Instead, some 32 years later, he became chairman of the world's largest tobacco multinational, BAT Industries, and this week stunned the City with his first set of preliminary figures which showed pre-tax profits up by a quarter to £656m. Not surprisingly, the share price jumped by more than 10 per cent on the news.

BAT has always been a somewhat secretive type of organisation at main board level, preferring to let its subsidiaries speak for themselves. Unfortunately, over the past decade the BAT board was responsible for a pretty mixed bag of diversifications in the UK and U.S.

Mr Patrick Sheehy, chairman of BAT Industries

—into retailing, cosmetics, paper and packaging—while at the same time coming under increasing pressure from the anti-smoking lobby which put it, not surprisingly, on the defensive.

Sheehy himself was responsible for much of the U.S. retail diversifications in the 70s—acquiring the Saks and Gimbel retail groups—and makes no apology for it having taken some years for the time it is taking them to come good. "It takes time to learn about the key elements in different businesses, especially the particular type of managerial skills needed," he believes.

But Sheehy's involvement with non-tobacco interests was one of the key reasons why he was chosen as chairman, he suspects. "It was my broad range of experience that I feel helped my case."

That experience started when he was posted to Africa (instead of Latin America which he wanted) as a tobacco sales manager, subsequently transferring to Jamaica and then to the "idyllic life" of Barbados.

However, he was soon recalled to the UK to join a team of potential high-fliers being groomed for top jobs in the company's scattered overseas operations. He was eventually put in charge of the Holland subsidiary, before returning to the UK in 1970 to begin his surge towards the top.

Those City analysts who have penetrated the BAT inner sanctums and met Sheehy see him as an aggressive operator who has forced his way to the top job. Sheehy however disputes this in the conventional manner of top British executives who feel somewhat embarrassed at admitting to the burning ambition for the top job.

But he believes that future diversifications should stay within the areas the company knows best—fast-moving consumer goods and retailing—rather than moving into high technology or heavy industry.

Sheehy also admits to wondering whether BAT might now be too large for one man to handle. "I spend on average about two days a week visiting our operations," he says while ruefully wishing he could spend more time. He believes that BAT's size forces him to concentrate on the essentials "and to place a high premium on good relationships with managers of the operating divisions."

The pressures of the new job, however, have not so far forced an increase in his smoking habits. "I smoke five or so cigarettes a day, purely for pleasure," he admits.

BSC hopeful of steel peace

BY BRIAN GROOM, LABOUR STAFF

BRITISH STEEL was hopeful last night that the five-day strike by 8,000 workers in South Yorkshire would shortly be settled, as delegates from the biggest union involved prepared for a "make-or-break" meeting in Rotherham this morning.

Mr Bill Sirs, general secretary of the Iron and Steel Trades Confederation, will address the meeting. Some delegates will argue for the official strike to be stepped up by calling out other steelworkers, while others want it called off.

The strike is the first major revolt against BSC's six-year redundancy programme, and has halted all steelmaking at the seven engineering steel plants in Sheffield and Rotherham, and in stainless steel and railway and ring roll works.

BSC was more optimistic after a meeting yesterday of strikers from Aldwarke and Templeborough works in Rotherham where the strike began.

A call for a vote on a return to work, was rejected as unconstitutional, because of the official strike was in the hands of the ISTC executive, which meets on Tuesday.

BSC's observers claimed the mood was for an end to the strike, and it hoped there would be a drift back to work from Monday.

Seventy-nine of the 86 workers whose redundancy sparked off the dispute collected their severance cheques yesterday.

The above interpretation was challenged by Mr Ted Thorne, chairman of the union action committee. So far as he was concerned only an end to redundancies should stop the strike, though he conceded that the general mood might not be so strong, and that a return to negotiations might persuade Mr Sirs o call it off.

Much depends on the outcome of the national pay dispute, following a deal between BSC and the Steel Industry Management Association.

This gives 8,000 managers no central rise, but an improved 3 per cent minimum local productivity bonus, probably consolidated into pay rates from July 1, plus consolidation of 1 per cent of last year's bonus.

Mr Sirs' reaction was to condemn the deal as "another of the corporation's dirty trucks," which would enrage the 12 unions on the TUC Steel Committee. But some steelworkers may find it more attractive than taking industrial action, in the face of BSC's refusal to go to arbitration.

Any national pay settlement could pave the way to talks on the South Yorkshire redundancies, because ISTC insists that the two issues are linked.

BSC tubes division agreed yesterday to seek an extension of the Government short-time working compensation scheme at Clydesdale and Imperial works, Scotland, which may save the jobs of 460 workers.

Redland calls off £35m Ibstock bid

BY CHARLES BATCHELOR

REDLAND, the building materials group, yesterday called off its £35m bid for the Leicetershire brickmaker Ibstock Johnsen. It felt that Monopolies and Mergers Commission approval might not be forthcoming.

The group admitted making its bid partly to foil an earlier but lower, agreed offer from London Brick. In addition, the recent improvement in the fortunes of Ibstock would probably have compelled it to increase the value of its offer.

The surprise announcement prompted Stock Exchange speculation that the group would put in a rival offer for Steetley, the building materials and heat-resistant products group.

The share price of Steetley, which is already subject to a £116m bid from Hepworth Ceramics, rose 16p to 232p at one stage but later fell back to 221p.

Mr Robert Napier, finance director of Redland, denied that a bid for Steetley was planned. While Redland would take advantage of any opportunity to make a worthwhile acquisition, he said, it now wanted to concentrate on improving earnings per share.

Redland's equity has increased by about 80 per cent in less than a year following the £117m purchase of Cawoods, the UK fuel distribution and aggregates group, and the payment of £43m for Boston Industries, a U.S. quarry owner.

Any acquisitions are likely to be small, with the U.S. the preferred area of expansion, Mr Napier said.

"We were faced with spending up to nine months of management time in pursuing Redland with the prospect of a very uncertain outcome at the Monopolies Commission and the likelihood we would have to pay more than we envisaged in January.

"The time to buy is when they are coming out of the recession, not when they have had 12 months into better times," he said.

Mr Paul Hyde-Thomson, chairman of Ibstock, said, "Our fortunes have changed. We don't need suitors. We have disposed of our Dutch company, which was a major headache, and everything looks rather different."

London Brick, which started the bidding for Ibstock with a £27m agreed offer in December, said it would continue to argue its case before the Monopolies Commission, but this did not mean it would renew its bid, assuming it is finally cleared.

"Our original offer is no longer a valid piece of paper," said Mr Michael Wright, managing director of London Brick. "Clearly you have to make a new offer in appropriate terms. We will decide whether to make an offer when the commission has reported."

Redland has 4 per cent stake of the overall UK brick market and Ibstock 7 per cent. Together, they would have formed far less of a market force than any Ibstock link with London Brick, which has 39 per cent.

However, both Redland and Ibstock have a sizable share of the market for the more expensive non-Fletton facing bricks and it is this which has persuaded Redland to pull out.

Stockbroking analysts said a Redland bid for Steetley made sense in terms of the latter's building materials interests. One noted, however, that Steetley faces problems in other areas of its activities. Another said that such a bid would also be likely to be referred to the Monopolies Commission.

Ibstock Johnsen's shares closed 8p lower at 125p while Redland fell 5p to 250p. London Brick was 1p lower at 152p.

Building material sales up, Page 3;

State backs second genetic company

BY DAVID FISHLOCK, SCIENCE EDITOR

BRITAIN is about to give birth to a second state-sponsored genetic engineering company, similar to Celltech, the pharmaceutical research company which has exclusive rights to exploit certain work by the Government's Medical Research Council.

Celltech's "country cousin" will have similar rights where the work of the Agricultural Research Council is concerned.

The new high-technology venture, 18 months in gestation, is developing as a tripartite operation with two-thirds of the funds coming from the private sector and the remainder from the state. Celltech is 44 per cent state funded.

Founders of the new organisation, possibly with roughly equal shareholdings, are expected to be Ultramar, the oil group; Advent, a venture capital company with access to U.S., UK and other European money; and the British Technology Group, which is an agency of the Department of Industry.

Provisionally, the venture is being called the Agricultural Genetics Company, or AGC, but executives say they hope to think of a more pleasing name.

They are confident that after a long search involving many embarrassing rejections they have secured the services of a top-flight chief executive.

He is understood to be an expatriate Briton, anxious to return, with a relevant academic and technical background for a high-technology venture and extensive U.S. business experience. This includes returning a large company to profitability.

British Technology Group officials are sufficiently confident of securing his services and of arranging satisfactory financing to submit papers to industry ministers.

Initial finance is expected to be £15m, a figure reached by increasing the £12m found for Celltech in 1980 by an allowance for inflation. Shareholders are unlikely, however, to agree to commit all the capital at the start of the venture.

One of the most difficult challenges facing the new company will be to repeat the success of Celltech in winning the confidence of government scientists, so that discoveries in genetic engineering are transferred smoothly to industrial laboratories.

Sir James Gowans, secretary of the Medical Research Council and an eminent medical scientist, is a board member of Celltech and one of the company's most enthusiastic advocates.

The new venture is expected to have right of first refusal to all genetic engineering developments made by the Agricultural Research Council, whose research programme involved expenditure of almost £100m in 1981-82.

Continued from Page 1

FT man ordered out

staff and there are 105 Russians at organisations such as Aeroflot. There are 56 Britons at the British Embassy in Moscow.

Mr Owen, the FT editor, last night expressed regret that Mr Robinson had become the victim of an affair "which is nothing to do with him or this newspaper."

He told a Press conference that he did not consider the affair a fait accompli and was making every effort to ensure Mr Robinson was able to continue working in Moscow. "As far as we are concerned he is our Moscow correspondent and we have no intention of replacing him."

In a statement issued earlier he said: "I deeply regret the sudden and arbitarary action by the Soviet Union against the Financial Times' Moscow correspondent, Mr Anthony Robinson. I ask the Soviet authorities to reconsider their decision with the utmost urgency.

"Anthony Robinson is a professional journalist of the highest calibre in whom the Financial Times has total confidence. The charges made against him are, of course, without foundation.

"He has been the Financial Times' correspondent in Moscow since April 1982. For five years prior to that he was East European correspondent based in London. In this capacity he travelled extensively within Russia and Soviet bloc countries.

"Tony Robinson's regular and incisive coverage of Soviet affairs and of the rapidly developing scene in Eastern Europe, including in Poland, has been of the highest order."

Continued from Page 1

Shell

Caution about the development of the market in the immediate future was reflected in Esso's acceptance of the BNOC recommendation which goes no further than approving the rates recommended for February and March. For February, BNOC proposed a price of $30.50—to which smaller producers without refining interests have objected.

Confidence about the market and Opec price structure was expressed, in an interview published yesterday in London-based Saudi magazine Al Majall, by Sheikh Ali Khalifa al Sabah, Kuwaiti Minister of Oil, who predicted that it would be possible for Opec to raise its reference price from $29 to $30 per barrel in the second half of the year.

Weather

UK TODAY

DEPRESSION moving towards SW. Sunny periods and showers.

S. England, Channel Isles
Rain, sleet, sunny intervals. Frost overnight. Max 11C (52F).

Midland, N England, Wales, Isle of Man, N Ireland, E and C Scotland
Sunny periods, isolated showers, light wind.

NE Scotland, Orkney and Shetland
Frequent wintry showers, rather cold.

Outlook: Little change.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	F	16	61	Luxmbg.	R	11	52
Algiers	S	21	70	Luxor	S	29	84
Amsdm.	C	8	46	Madeira	F	17	63
Athens	S	19	66	Madrid	S	18	64
Bahrain	S	27	81	Majorca	S	23	73
Barclna.	F	22	72	Malaga	S	21	70
Beirut	F	19	66	Malta	S	22	72
Belfast	F	8	48	M'chstr	C	6	43
Belgrd.	S	22	72	Melbne.	S	18	64
Berlin	R	8	46	Mx. C.†		—	—
Biarritz	S	22	72	Miami†	S	24	75
Bmghm.	C	7	45	Milan	C	15	59
Blackpl.	C	5	43	Montrl.†	R	5	41
Bordx.	C	19	66	Moscow		—	—
Boulgn.	C	8	45	Munich	F	15	59
Bristol	S	9	48	Nairobi	F	28	82
Brussels	C	12	54	Naples	F	16	61
Budpst.	F	16	61	Nassau		—	—
Cairo	S	22	72	Nwcstl.	C	8	46
Cardiff	S	9	48	N York†		—	—
Cas'b'ca	S	19	66	Nice	F	16	61
Cape T.	F	24	75	Nicosia	C	17	63
Chicg.†	S	−1	30	Oporto	Fg	14	57
Cologne	R	10	50	Oslo	F	5	41
Cpnhgn.	F	7	45	Paris	C	12	54
Corfu	S	19	66	Perth	R	22	72
Denver†	S	−4	25	Prague	C	14	57
Dublin	C	7	45	Rykjvk.	S	−5	23
Dbrvnk.	S	17	63	Rhodes	S	19	66
Ednbgh.	C	5	41	Rio J'o†		—	—
Faro	S	18	64	Rome	S	17	63
Florence	F	20	68	Salzbrg.	F	17	63
Frnkft.	C	13	55	S'cisco†	C	11	52
Geneva	C	14	57	S. Moritz		—	—
Gibrltr	S	20	68	Singapr.	S	33	91
Gl'sg'w	F	9	48	S'tiago†		—	—
G'nsey	C	9	48	Stckhlm	C	6	43
Helsinki	C	5	41	Strasbg.	C	15	59
H Kong	R	24	75	Sydney	F	18	64
Innsbrk.	F	16	61	Tangier	S	20	68
Invrnss.	S	9	48	Tel Aviv		—	—
I o Man	C	7	45	Tenerife	S	19	66
Istanbul	S	14	57	Tokyo	C	18	64
Jersey	C	8	46	T'r'nto†	S	2	36
Jo'burg	F	22	72	Tunis	S	23	73
L. Plms.	S	20	68	Valencia	S	25	77
Lisbon	S	18	64	Venice	S	17	63
Locarno	C	11	52	Vienna	F	16	61
London	F	10	50	Warsaw	C	12	54
L. Ang †	S	10	50	Zurich	F	15	59

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny.
† Noon GMT temperatures.

S. African reserves plunge 25%

BY BERNARD SIMON IN JOHANNESBURG

THE VALUE of South Africa's gold and foreign exchange reserves plunged by almost a quarter last month, according to figures published by the Reserve Bank yesterday. Foreign exchange holdings dropped by more than 50 per cent, the largest fall in a single month.

Total reserves declined by R1.1bn during March to R3.7bn (£2.3bn) equivalent to almost three months' imports.

A reduction in the market-related valuation of the bank's gold holdings accounted for R389m of the fall. The gold holdings, amounting to some 7.7m ounces, were valued at R3.1bn at the end of March making up 85 per cent of total reserves.

Foreign exchange holdings tumbled by R678m to R546m.

The sharp fall in the reserves was received with equanimity by the authorities, who view it as a direct, and to some extent desirable, result of the abolition of exchange controls over foreigners earlier this year.

A senior Reserve Bank official said yesterday that "from a liquidity point of view, it's a healthy situation."

The loss of reserves seems to have been caused mainly by an outflow on the capital account. With the gold price at its present level of between $420 and $430 an ounce, the current account is roughly in balance.

A large chunk of the outflow appears to be the result of the sustained selling of gold and other mining shares from abroad on the Johannesburg stock exchange during March. Analysts estimate these sales at between R350m and R500m.

Before the lifting of exchange controls over non-residents, these funds would have flowed out through the financial rand market which was on a fixed pool of funds and had no impact on the balance of payments.

Repayment of medium-term loans and trade credits appears to have bolstered the drain of capital, although many companies continue to finance trade credits from offshore sources.

The Reserve Bank's lack of concern at the fall in the reserves is reflected in its decision to leave the managed exchange rate of the rand virtually unchanged over the past few weeks at between 91 and 92 U.S. cents.

Should pressure on the reserves increase, however, the rand is likely to weaken and the authorities will begin to make use of several hundred million rands of foreign loans arranged shortly before exchange control relaxations.

THE LEX COLUMN

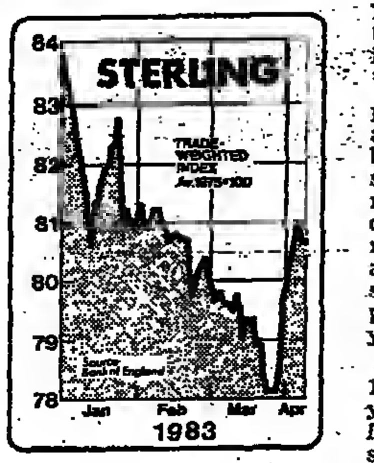
Hanson trusts in the future

Hanson Trust is not the kind of predator to underplay its hand, and yesterday it gave its prospects of winning the bid battle for UDS a strong boost by coming out with the forecast of a hefty profit increase in the current year. The revised offer document—which emerged, as all the important developments in the UDS saga seem to have done, well into Friday evening—states that pre-tax profits will rise by 24 per cent to £75m.

In the first five months the gain has been nearer 56 per cent, so on the surface Hanson seems to be leaving a good deal in hand. This gain has been flattered by contributions from the recent acquisitions, British Ever Ready and UGI, not seen in the comparable period and the underlying improvement may be running very close to the forecast. By looking a clear seven months into the future Hanson is displaying great confidence that the economic recovery now being seen in the UK and U.S. will be sustained.

The forecast also demonstrates Hanson's determination to carry off the UDS prize, as well as a clear preference for using shares rather than cash in payment. Hanson's share price seems set to move comfortably above last night's 186p close, widening the 2½p premium of the mainly paper offer over the cash alternative. With Bassishaw's final offer stranded at 130p, the UDS camp will have great difficulty in not plumping for Hanson.

Index rose 2.8 to 675.0



London & Liverpool

The hard-pressed financiers of the Football League may have been having some serious second thoughts about the likely reception for pub football, to judge from their extended talks yesterday. If so, they might be arriving late in the day at a rather shrewder assessment of the drawbacks to the scheme than London and Liverpool Trust has shown in proposing it.

London and Liverpool's shares have rocketed from 184p in mid-November to a 700p high in February, propelled by market excitement over the company's projected profits from its Telejector subsidiary which installs the big television screens. The prospect for short term profits has indeed been remarkable, whatever the uncertainties clouding the longer term, and the number of installations has grown rapidly.

Above all, Telejector rejoices in an enviable business arrangement with a leasing subsidiary of Lloyds and Scottish. It can take immediate and sizeable profits on its screens by first leasing the finished installation and then selling it together, typically, with two to five years of lease payments, to Lloyds and Scottish. Equipment bought for £4m has apparently been sold for over £12m to date, adding perhaps £5½m after operating costs to London and Liverpool's underlying profits estimated at £4-£5m in the year to March 31.

With its football proposal, however, Telejector stepped away from this formula into a scheme requiring advertising revenues to support it: assuming annual running costs of just £3m and as many as 5,000 screens, the £8m contract offered to the League would need revenues of £40 for each outlet per Monday night to break even. This looks ambitious beside Telejector's advertising experience to date. The danger for London and Liverpool may be, also, that its proposal will focus closer attention on the advertising appeal of its screens which could prompt worrying questions for the publicans, not to mention Lloyds and Scottish.

Gilt-edged

The Government is in some danger of being carried away with its enthusiasm for the presently dormant corporate bond market. To steer clear of the long end of the gilt-edged market in order to stimulate corporate activity is one thing but, to judge from the recent funding exercises of the Government Broker, noblesse oblige is now extending across the bulk of the maturity spectrum.

Yesterday saw the arrival of yet another conventional stock maturing in the late 1980's — £1bn of 10½ per cent Treasury 1989. Its launch brings the number of outstanding gilt-edged stocks up to a round 100 and the authorities might have perhaps celebrated the centenary with a little more imagination.

The yield curve is admittedly peaking in the intermediate area of the market at present but the cost of funds does not seem to have been the overriding consideration in this case. Merely by bringing the maturity forward to 1988, the authorities could probably have saved themselves about 35 basis points of gross redemption yield.

The emphasis on the late 1980's looks all the odder as yesterday's issue is tailor-made for the building societies, possibly the only category of gilt-edged investor a little strapped for cash at the moment. The encouragement being given to corporate issuers is wholly commendable but, as matters now stand, it looks as if the Government Broker would fund the PSBR through index-linked six-month Treasury Bills if ICI indicated its interest in raising one-year money through a yearling. In their deference to the corporate sector, the authorities risk creating distortions within their primary area of responsibility — the gilt-edged market.

Turner & Newall

Sir Francis Tombs, the new chairman of Turner and Newall, has obviously learnt a thing or two about negotiation from his long spell in the public sector. Hard on the heels of his remarkable share option arrangement with the Prudential comes the news, in his chairman's statement, of an even more unusual scheme by which the company's bankers will pay him a fee linked to the share price performance of T & N.

Sir Francis has quite properly disclosed this agreement, even though not obliged to do so. The circumstances of T & N's reconstruction were very unusual but it would be unfortunate if this deal set any precedent. Banks, after all, have a vested interest in seeing their own exposure to troubled companies reduced through the issue of equity to shareholders, the feasibility of which is determined by the share price. As it happens, the share price performance of T & N may well be ruled principally by the future level of asbestosis claims, a matter almost wholly out of Sir Francis's hands.